

S. 5883

A. 8101

2013-2014 Regular Sessions

S E N A T E - A S S E M B L Y

June 18, 2013

IN SENATE -- Introduced by Sen. BONACIC -- (at request of the Governor)
-- read twice and ordered printed, and when printed to be committed to
the Committee on Rules

IN ASSEMBLY -- Introduced by M. of A. PRETLOW, GUNTHER -- (at request of
the Governor) -- read once and referred to the Committee on Racing and
Wagering

AN ACT to amend the racing, pari-mutuel wagering and breeding law, the
penal law and the state finance law, in relation to commercial gaming;
to amend the executive law, the state finance law and the Indian law,
in relation to authorizing the settlement of disputes between the
Oneida Nation of New York, the state, Oneida county and Madison coun-
ty; to amend the Indian law and the tax law, in relation to identify-
ing nations and tribes; to amend the tax law and the state finance
law, in relation to video lottery gaming; to amend part HH of chapter
57 of the laws of 2013 relating to providing for the administration of
certain funds and accounts related to the 2013-14 budget, in relation
to the commercial gaming revenue fund; to amend chapter 50 of the laws
of 2013 enacting the state operations budget, in relation to commer-
cial gaming revenues; to amend the racing, pari-mutual wagering and
breeding law, in relation to directing the state gaming commission to
annually evaluate video lottery gaming; to amend the racing, pari-mu-
tuel wagering and breeding law and the state finance law, in relation
to account wagering on simulcast horse races; to repeal section 11 of
the executive law relating to fuel and energy shortage state of emer-
gency; and to repeal clause (G) of subparagraph (ii) of paragraph 1 of
subdivision b of section 1612 of the tax law relating to vendor's fees

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. This act shall be known and may be cited as the "upstate
2 New York gaming economic development act of 2013."

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

LBD12052-02-3

1 S 2. The racing, pari-mutuel wagering and breeding law is amended by
2 adding a new article 13 to read as follows:

3 ARTICLE 13

4 DESTINATION RESORT GAMING

- 5 TITLE 1. GENERAL PROVISIONS
6 2. FACILITY DETERMINATION AND LICENSING
7 3. OCCUPATIONAL LICENSING
8 4. ENTERPRISE AND VENDOR LICENSING AND REGISTRATION
9 5. REQUIREMENTS FOR CONDUCT AND OPERATION OF GAMING
10 6. TAXATION AND FEES
11 7. PROBLEM GAMBLING
12 8. MISCELLANEOUS PROVISIONS
13 9. GAMING INSPECTOR GENERAL

14 TITLE 1

15 GENERAL PROVISIONS

- 16 SECTION 1300. LEGISLATIVE FINDINGS AND PURPOSE.
17 1301. DEFINITIONS.
18 1302. AUDITING DUTIES OF THE COMMISSION.
19 1303. EQUIPMENT TESTING.
20 1304. COMMISSION REPORTING.
21 1305. SUPPLEMENTAL POWER OF THE COMMISSION.
22 1306. POWERS OF THE BOARD.
23 1307. REQUIRED REGULATIONS.
24 1308. REPORTS AND RECOMMENDATIONS.
25 1309. SEVERABILITY AND PREEMPTION.

26 S 1300. LEGISLATIVE FINDINGS AND PURPOSE. THE LEGISLATURE HEREBY
27 FINDS AND DECLARES THAT:

28 1. NEW YORK STATE IS ALREADY IN THE BUSINESS OF GAMBLING WITH NINE
29 VIDEO LOTTERY FACILITIES, FIVE TRIBAL CLASS III CASINOS, AND THREE
30 TRIBAL CLASS II FACILITIES;

31 2. NEW YORK STATE HAS MORE ELECTRONIC GAMING MACHINES THAN ANY STATE
32 IN THE NORTHEAST OR MIDEAST;

33 3. WHILE GAMBLING ALREADY EXISTS THROUGHOUT THE STATE, THE STATE DOES
34 NOT FULLY CAPITALIZE ON THE ECONOMIC DEVELOPMENT POTENTIAL OF LEGALIZED
35 GAMBLING;

36 4. THE STATE SHOULD AUTHORIZE FOUR DESTINATION RESORT CASINOS IN
37 UPSTATE NEW YORK;

38 5. FOUR UPSTATE CASINOS CAN BOOST ECONOMIC DEVELOPMENT, CREATE THOU-
39 SANDS OF WELL-PAYING JOBS AND PROVIDE ADDED REVENUE TO THE STATE;

40 6. THE UPSTATE TOURISM INDUSTRY CONSTITUTES A CRITICAL COMPONENT OF
41 OUR STATE'S ECONOMIC INFRASTRUCTURE AND THAT FOUR UPSTATE CASINOS WILL
42 ATTRACT NON-NEW YORK RESIDENTS AND BRING DOWNSTATE NEW YORKERS TO
43 UPSTATE;

44 7. THE CASINO SITES AND THE LICENSED OWNERS SHALL BE SELECTED ON
45 MERIT;

46 8. LOCAL IMPACT OF THE CASINO SITES WILL BE CONSIDERED IN THE CASINO
47 EVALUATION PROCESS;

48 9. TRIBES WHOSE GAMING COMPACTS ARE IN GOOD STANDING WITH THE STATE
49 WILL HAVE THEIR GEOGRAPHIC EXCLUSIVITY PROTECTED BY THIS ARTICLE;

50 10. REVENUE REALIZED FROM CASINOS SHALL BE UTILIZED TO INCREASE
51 SUPPORT FOR EDUCATION BEYOND THAT OF THE STATE'S EDUCATION FORMULAE AND
52 TO PROVIDE REAL PROPERTY TAX RELIEF TO LOCALITIES;

53 11. CASINOS WILL BE TIGHTLY AND STRICTLY REGULATED BY THE COMMISSION
54 TO GUARANTEE PUBLIC CONFIDENCE AND TRUST IN THE CREDIBILITY AND INTEGRI-
55 TY OF ALL CASINO GAMBLING IN THE STATE AND TO PREVENT ORGANIZED CRIME
56 FROM ANY INVOLVEMENT IN THE CASINO INDUSTRY;

12. THE NEED FOR STRICT STATE CONTROLS EXTENDS TO REGULATION OF ALL PERSONS, LOCATIONS, PRACTICES AND ASSOCIATIONS RELATED TO THE OPERATION OF LICENSED ENTERPRISES AND ALL RELATED SERVICE INDUSTRIES AS PROVIDED IN THIS ARTICLE;

13. THE STATE AND THE CASINOS WILL DEVELOP PROGRAMS AND RESOURCES TO COMBAT COMPULSIVE AND PROBLEM GAMBLING;

14. THE STATE WILL ENSURE THAT HOST MUNICIPALITIES OF CASINOS ARE PROVIDED WITH FUNDING TO LIMIT ANY POTENTIAL ADVERSE IMPACTS OF CASINOS;

15. POLITICAL CONTRIBUTIONS FROM THE CASINO INDUSTRY WILL BE MINIMIZED TO REDUCE THE POTENTIAL OF POLITICAL CORRUPTION FROM CASINOS; AND

16. AS THOROUGHLY AND PERVASIVELY REGULATED BY THE STATE, FOUR UPSTATE CASINOS WILL WORK TO THE BETTERMENT OF ALL NEW YORK.

S 1301. DEFINITIONS. AS USED IN THIS ARTICLE THE FOLLOWING TERMS SHALL, UNLESS THE CONTEXT CLEARLY REQUIRES OTHERWISE, HAVE THE FOLLOWING MEANINGS:

1. "AFFILIATE". A PERSON THAT DIRECTLY OR INDIRECTLY, THROUGH ONE OR MORE INTERMEDIARIES, CONTROLS OR IS CONTROLLED BY, OR IS UNDER COMMON CONTROL WITH, A SPECIFIED PERSON.

2. "APPLICANT". ANY PERSON WHO ON HIS OR HER OWN BEHALF OR ON BEHALF OF ANOTHER HAS APPLIED FOR PERMISSION TO ENGAGE IN ANY ACT OR ACTIVITY WHICH IS REGULATED UNDER THE PROVISIONS OF THIS ARTICLE.

3. "APPLICATION". A WRITTEN REQUEST FOR PERMISSION TO ENGAGE IN ANY ACT OR ACTIVITY WHICH IS REGULATED UNDER THE PROVISIONS OF THIS ARTICLE.

4. "AUTHORIZED GAME". ANY GAME DETERMINED BY THE COMMISSION TO BE COMPATIBLE WITH THE PUBLIC INTEREST AND TO BE SUITABLE FOR CASINO USE AFTER SUCH APPROPRIATE TEST OR EXPERIMENTAL PERIOD AS THE COMMISSION MAY DEEM APPROPRIATE. AN AUTHORIZED GAME MAY INCLUDE GAMING TOURNAMENTS IN WHICH PLAYERS COMPETE AGAINST ONE ANOTHER IN ONE OR MORE OF THE GAMES AUTHORIZED HEREIN OR BY THE COMMISSION OR IN APPROVED VARIATIONS OR COMPOSITES THEREOF IF THE TOURNAMENTS ARE AUTHORIZED.

5. "BOARD". THE NEW YORK STATE GAMING FACILITY LOCATION BOARD ESTABLISHED BY THE COMMISSION PURSUANT TO SECTION ONE HUNDRED NINE-A OF THIS CHAPTER.

6. "BUSINESS". A CORPORATION, SOLE PROPRIETORSHIP, PARTNERSHIP, LIMITED LIABILITY COMPANY OR ANY OTHER ORGANIZATION FORMED FOR THE PURPOSE OF CARRYING ON A COMMERCIAL ENTERPRISE.

7. "CASINO". ONE OR MORE LOCATIONS OR ROOMS IN A GAMING FACILITY THAT HAVE BEEN APPROVED BY THE COMMISSION FOR THE CONDUCT OF GAMING IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE.

8. "CASINO KEY EMPLOYEE". ANY NATURAL PERSON EMPLOYED BY A GAMING FACILITY LICENSEE, OR HOLDING OR INTERMEDIARY COMPANY OF A GAMING FACILITY LICENSEE, AND INVOLVED IN THE OPERATION OF A LICENSED GAMING FACILITY IN A SUPERVISORY CAPACITY AND EMPOWERED TO MAKE DISCRETIONARY DECISIONS WHICH REGULATE GAMING FACILITY OPERATIONS; OR ANY OTHER EMPLOYEE SO DESIGNATED BY THE COMMISSION FOR REASONS CONSISTENT WITH THE POLICIES OF THIS ARTICLE.

9. "CASINO VENDOR ENTERPRISE". ANY VENDOR OFFERING GOODS OR SERVICES WHICH DIRECTLY RELATE TO CASINO OR GAMING ACTIVITY, OR ANY VENDOR PROVIDING TO GAMING FACILITY LICENSEES OR APPLICANTS GOODS AND SERVICES ANCILLARY TO GAMING ACTIVITY. NOTWITHSTANDING THE FOREGOING, ANY FORM OF ENTERPRISE ENGAGED IN THE MANUFACTURE, SALE, DISTRIBUTION, TESTING OR REPAIR OF SLOT MACHINES WITHIN THE STATE, OTHER THAN ANTIQUE SLOT MACHINES, SHALL BE CONSIDERED A CASINO VENDOR ENTERPRISE FOR THE PURPOSES OF THIS ARTICLE REGARDLESS OF THE NATURE OF ITS BUSINESS RELATIONSHIP, IF ANY, WITH GAMING FACILITY APPLICANTS AND LICENSEES IN THIS STATE.

1 10. "CLOSE ASSOCIATE". A PERSON WHO HOLDS A RELEVANT FINANCIAL INTER-
2 EST IN, OR IS ENTITLED TO EXERCISE POWER IN, THE BUSINESS OF AN APPLI-
3 CANT OR LICENSEE AND, BY VIRTUE OF THAT INTEREST OR POWER, IS ABLE TO
4 EXERCISE A SIGNIFICANT INFLUENCE OVER THE MANAGEMENT OR OPERATION OF A
5 GAMING FACILITY OR BUSINESS LICENSED UNDER THIS ARTICLE.

6 11. "COMMISSION". THE NEW YORK STATE GAMING COMMISSION.

7 12. "COMPLIMENTARY SERVICE OR ITEM". A SERVICE OR ITEM PROVIDED AT NO
8 COST OR AT A REDUCED COST TO A PATRON OF A GAMING FACILITY.

9 13. "CONSERVATOR". A PERSON APPOINTED BY THE COMMISSION TO TEMPORARILY
10 MANAGE THE OPERATION OF A GAMING FACILITY.

11 14. "CREDIT CARD". A CARD, CODE OR OTHER DEVICE WITH WHICH A PERSON
12 MAY DEFER PAYMENT OF DEBT, INCUR DEBT AND DEFER ITS PAYMENT, OR PURCHASE
13 PROPERTY OR SERVICES AND DEFER PAYMENT THEREFOR, BUT NOT A CARD, CODE OR
14 OTHER DEVICE USED TO ACTIVATE A PREEXISTING AGREEMENT BETWEEN A PERSON
15 AND A FINANCIAL INSTITUTION TO EXTEND CREDIT WHEN THE PERSON'S ACCOUNT
16 AT THE FINANCIAL INSTITUTION IS OVERDRAWN OR TO MAINTAIN A SPECIFIED
17 MINIMUM BALANCE IN THE PERSON'S ACCOUNT AT THE FINANCIAL INSTITUTION.

18 15. "DEBT". ANY LEGAL LIABILITY, WHETHER MATURED OR UNMATURED, LIQUI-
19 DATED OR UNLIQUIDATED, ABSOLUTE, FIXED OR CONTINGENT, INCLUDING DEBT
20 CONVERTIBLE INTO AN EQUITY SECURITY WHICH HAS NOT YET BEEN SO CONVERTED,
21 AND ANY OTHER DEBT CARRYING ANY WARRANT OR RIGHT TO SUBSCRIBE TO OR
22 PURCHASE AN EQUITY SECURITY WHICH WARRANT OR RIGHT HAS NOT YET BEEN
23 EXERCISED.

24 16. "ENCUMBRANCE". A MORTGAGE, SECURITY INTEREST, LIEN OR CHARGE OF
25 ANY NATURE IN OR UPON PROPERTY.

26 17. "EXECUTIVE DIRECTOR". THE EXECUTIVE DIRECTOR OF THE NEW YORK STATE
27 GAMING COMMISSION.

28 18. "FAMILY". SPOUSE, DOMESTIC PARTNER, PARTNER IN A CIVIL UNION,
29 PARENTS, GRANDPARENTS, CHILDREN, GRANDCHILDREN, SIBLINGS, UNCLES, AUNTS,
30 NEPHEWS, NIECES, FATHERS-IN-LAW, MOTHERS-IN-LAW, DAUGHTERS-IN-LAW,
31 SONS-IN-LAW, BROTHERS-IN-LAW AND SISTERS-IN-LAW, WHETHER BY THE WHOLE OR
32 HALF BLOOD, BY MARRIAGE, ADOPTION OR NATURAL RELATIONSHIP.

33 19. "GAME". ANY BANKING OR PERCENTAGE GAME LOCATED WITHIN THE GAMING
34 FACILITY PLAYED WITH CARDS, DICE, TILES, DOMINOES, OR ANY ELECTRONIC,
35 ELECTRICAL, OR MECHANICAL DEVICE OR MACHINE FOR MONEY, PROPERTY, OR ANY
36 REPRESENTATIVE OF VALUE WHICH HAS BEEN APPROVED BY THE COMMISSION.

37 20. "GAMING" OR "GAMBLING". THE DEALING, OPERATING, CARRYING ON,
38 CONDUCTING, MAINTAINING OR EXPOSING FOR PAY OF ANY GAME.

39 21. "GAMING DEVICE" OR "GAMING EQUIPMENT". ANY ELECTRONIC, ELECTRICAL,
40 OR MECHANICAL CONTRIVANCE OR MACHINE USED IN CONNECTION WITH GAMING OR
41 ANY GAME.

42 22. "GAMING EMPLOYEE". ANY NATURAL PERSON, NOT OTHERWISE INCLUDED IN
43 THE DEFINITION OF CASINO KEY EMPLOYEE, WHO IS EMPLOYED BY A GAMING
44 FACILITY LICENSEE, OR A HOLDING OR INTERMEDIARY COMPANY OF A GAMING
45 FACILITY LICENSEE, AND IS INVOLVED IN THE OPERATION OF A LICENSED GAMING
46 FACILITY OR PERFORMS SERVICES OR DUTIES IN A GAMING FACILITY OR A
47 RESTRICTED CASINO AREA; OR ANY OTHER NATURAL PERSON WHOSE EMPLOYMENT
48 DUTIES PREDOMINANTLY INVOLVE THE MAINTENANCE OR OPERATION OF GAMING
49 ACTIVITY OR EQUIPMENT AND ASSETS ASSOCIATED THEREWITH OR WHO, IN THE
50 JUDGMENT OF THE COMMISSION, IS SO REGULARLY REQUIRED TO WORK IN A
51 RESTRICTED CASINO AREA THAT REGISTRATION AS A GAMING EMPLOYEE IS APPRO-
52 PRIATE.

53 23. "GAMING FACILITY". THE PREMISES APPROVED UNDER A GAMING LICENSE
54 WHICH INCLUDES A GAMING AREA AND ANY OTHER NONGAMING STRUCTURE RELATED
55 TO THE GAMING AREA AND MAY INCLUDE, BUT SHALL NOT BE LIMITED TO, HOTELS,
56 RESTAURANTS OR OTHER AMENITIES.

1 24. "GAMING FACILITY LICENSE". ANY LICENSE ISSUED PURSUANT TO THIS
2 ARTICLE WHICH AUTHORIZES THE HOLDER THEREOF TO OWN OR OPERATE A GAMING
3 FACILITY.

4 25. "GROSS GAMING REVENUE". THE TOTAL OF ALL SUMS ACTUALLY RECEIVED BY
5 A GAMING FACILITY LICENSEE FROM GAMING OPERATIONS LESS THE TOTAL OF ALL
6 SUMS PAID OUT AS WINNINGS TO PATRONS; PROVIDED, HOWEVER, THAT THE TOTAL
7 OF ALL SUMS PAID OUT AS WINNINGS TO PATRONS SHALL NOT INCLUDE THE CASH
8 EQUIVALENT VALUE OF ANY MERCHANDISE OR THING OF VALUE INCLUDED IN A
9 JACKPOT OR PAYOUT; PROVIDED FURTHER, THAT THE ISSUANCE TO OR WAGERING BY
10 PATRONS OF A GAMING FACILITY OF ANY PROMOTIONAL GAMING CREDIT SHALL NOT
11 BE TAXABLE FOR THE PURPOSES OF DETERMINING GROSS REVENUE.

12 26. "HOLDING COMPANY". A CORPORATION, ASSOCIATION, FIRM, PARTNERSHIP,
13 TRUST OR OTHER FORM OF BUSINESS ORGANIZATION, OTHER THAN A NATURAL
14 PERSON, WHICH, DIRECTLY OR INDIRECTLY, OWNS, HAS THE POWER OR RIGHT TO
15 CONTROL, OR HAS THE POWER TO VOTE ANY SIGNIFICANT PART OF THE OUTSTAND-
16 ING VOTING SECURITIES OF A CORPORATION OR ANY OTHER FORM OF BUSINESS
17 ORGANIZATION WHICH HOLDS OR APPLIES FOR A GAMING LICENSE; PROVIDED,
18 HOWEVER, THAT A "HOLDING COMPANY", IN ADDITION TO ANY OTHER REASONABLE
19 USE OF THE TERM, SHALL INDIRECTLY HAVE, HOLD OR OWN ANY SUCH POWER,
20 RIGHT OR SECURITY IF IT DOES SO THROUGH AN INTEREST IN A SUBSIDIARY OR
21 ANY SUCCESSIVE SUBSIDIARIES, NOTWITHSTANDING HOW MANY SUCH SUBSIDIARIES
22 MAY INTERVENE BETWEEN THE HOLDING COMPANY AND THE GAMING FACILITY LICEN-
23 SEE OR APPLICANT.

24 27. "HOST MUNICIPALITY". A CITY, TOWN OR VILLAGE IN WHICH A GAMING
25 FACILITY IS LOCATED OR IN WHICH AN APPLICANT HAS PROPOSED LOCATING A
26 GAMING FACILITY.

27 28. "INTERMEDIARY COMPANY". A CORPORATION, ASSOCIATION, FIRM, PARTNER-
28 SHIP, TRUST OR OTHER FORM OF BUSINESS ORGANIZATION, OTHER THAN A NATURAL
29 PERSON, WHICH IS A HOLDING COMPANY WITH RESPECT TO A CORPORATION OR
30 OTHER FORM OF BUSINESS ORGANIZATION WHICH HOLDS OR APPLIES FOR A GAMING
31 LICENSE, AND IS A SUBSIDIARY WITH RESPECT TO A HOLDING COMPANY.

32 29. "JUNKET". AN ARRANGEMENT INTENDED TO INDUCE A PERSON TO COME TO A
33 GAMING FACILITY TO GAMBLE, WHERE THE PERSON IS SELECTED OR APPROVED FOR
34 PARTICIPATION ON THE BASIS OF THE PERSON'S ABILITY TO SATISFY A FINAN-
35 CIAL QUALIFICATION OBLIGATION RELATED TO THE PERSON'S ABILITY OR WILL-
36 INGNESS TO GAMBLE OR ON ANY OTHER BASIS RELATED TO THE PERSON'S PROPEN-
37 SITY TO GAMBLE AND PURSUANT TO WHICH AND AS CONSIDERATION FOR WHICH, ANY
38 OF THE COST OF TRANSPORTATION, FOOD, LODGING, AND ENTERTAINMENT FOR THE
39 PERSON IS DIRECTLY OR INDIRECTLY PAID BY A GAMING FACILITY LICENSEE OR
40 AN AFFILIATE OF THE GAMING FACILITY LICENSEE.

41 30. "JUNKET ENTERPRISE". A PERSON, OTHER THAN A GAMING FACILITY LICEN-
42 SEE OR AN APPLICANT FOR A GAMING FACILITY LICENSE, WHO EMPLOYS OR OTHER-
43 WISE ENGAGES THE SERVICES OF A JUNKET REPRESENTATIVE IN CONNECTION WITH
44 A JUNKET TO A LICENSED GAMING FACILITY, REGARDLESS OF WHETHER OR NOT
45 THOSE ACTIVITIES OCCUR WITHIN THE STATE.

46 31. "JUNKET REPRESENTATIVE". A PERSON WHO NEGOTIATES THE TERMS OF, OR
47 ENGAGES IN THE REFERRAL, PROCUREMENT OR SELECTION OF PERSONS WHO MAY
48 PARTICIPATE IN, A JUNKET TO A GAMING FACILITY, REGARDLESS OF WHETHER OR
49 NOT THOSE ACTIVITIES OCCUR WITHIN THE STATE.

50 32. "OPERATION CERTIFICATE". A CERTIFICATE ISSUED BY THE COMMISSION
51 WHICH CERTIFIES THAT OPERATION OF A GAMING FACILITY CONFORMS TO THE
52 REQUIREMENTS OF THIS ARTICLE AND APPLICABLE REGULATIONS AND THAT ITS
53 PERSONNEL AND PROCEDURES ARE SUFFICIENT AND PREPARED TO ENTERTAIN THE
54 PUBLIC.

1 33. "PERSON". ANY CORPORATION, ASSOCIATION, OPERATION, FIRM, PARTNER-
2 SHIP, TRUST OR OTHER FORM OF BUSINESS ASSOCIATION, AS WELL AS A NATURAL
3 PERSON.

4 34. "REGISTRATION". ANY REQUIREMENT OTHER THAN ONE WHICH REQUIRES A
5 LICENSE AS A PREREQUISITE TO CONDUCT A PARTICULAR BUSINESS AS SPECIFIED
6 BY THIS ARTICLE.

7 35. "REGISTRANT". ANY PERSON WHO IS REGISTERED PURSUANT TO THE
8 PROVISIONS OF THIS ARTICLE.

9 36. "RESTRICTED CASINO AREAS". THE CASHIER'S CAGE, THE SOFT COUNT
10 ROOM, THE HARD COUNT ROOM, THE SLOT CAGE BOOTHS AND RUNWAY AREAS, THE
11 INTERIOR OF TABLE GAME PITS, THE SURVEILLANCE ROOM AND CATWALK AREAS,
12 THE SLOT MACHINE REPAIR ROOM AND ANY OTHER AREA SPECIFICALLY DESIGNATED
13 BY THE COMMISSION AS RESTRICTED IN A LICENSEE'S OPERATION CERTIFICATE.

14 37. "QUALIFICATION" OR "QUALIFIED". THE PROCESS OF LICENSURE SET FORTH
15 BY THE COMMISSION TO DETERMINE THAT ALL PERSONS WHO HAVE A PROFESSIONAL
16 INTEREST IN A GAMING FACILITY LICENSE, OR CASINO VENDOR ENTERPRISE
17 LICENSE, OR THE BUSINESS OF A GAMING FACILITY LICENSEE OR GAMING VENDOR,
18 MEET THE SAME STANDARDS OF SUITABILITY TO OPERATE OR CONDUCT BUSINESS
19 WITH A GAMING FACILITY.

20 38. "SLOT MACHINE". A MECHANICAL, ELECTRICAL OR OTHER DEVICE, CONTRI-
21 VANCE OR MACHINE WHICH, UPON INSERTION OF A COIN, TOKEN OR SIMILAR
22 OBJECT THEREIN, OR UPON PAYMENT OF ANY CONSIDERATION WHATSOEVER, IS
23 AVAILABLE TO PLAY OR OPERATE, THE PLAY OR OPERATION OF WHICH, WHETHER BY
24 REASON OF THE SKILL OF THE OPERATOR OR APPLICATION OF THE ELEMENT OF
25 CHANCE, OR BOTH, MAY DELIVER OR ENTITLE THE INDIVIDUAL PLAYING OR OPER-
26 ATING THE MACHINE TO RECEIVE CASH, OR TOKENS TO BE EXCHANGED FOR CASH,
27 OR TO RECEIVE MERCHANDISE OR ANY OTHER THING OF VALUE, WHETHER THE
28 PAYOFF IS MADE AUTOMATICALLY FROM THE MACHINE OR IN ANY OTHER MANNER,
29 EXCEPT THAT THE CASH EQUIVALENT VALUE OF ANY MERCHANDISE OR OTHER THING
30 OF VALUE SHALL NOT BE INCLUDED IN DETERMINING THE PAYOUT PERCENTAGE OF A
31 SLOT MACHINE.

32 39. "SPORTS WAGERING". THE ACTIVITY AUTHORIZED BY SECTION ONE THOUSAND
33 THREE HUNDRED SIXTY-SEVEN OF THIS ARTICLE, PROVIDED THAT THERE HAS BEEN
34 A CHANGE IN FEDERAL LAW AUTHORIZING SUCH ACTIVITY OR UPON RULING OF A
35 COURT OF COMPETENT JURISDICTION THAT SUCH ACTIVITY IS LAWFUL.

36 40. "SUBSIDIARY". A CORPORATION, A SIGNIFICANT PART OF WHOSE OUTSTAND-
37 ING EQUITY SECURITIES ARE OWNED, SUBJECT TO A POWER OR RIGHT OF CONTROL,
38 OR HELD WITH POWER TO VOTE, BY A HOLDING COMPANY OR AN INTERMEDIARY
39 COMPANY, OR A SIGNIFICANT INTEREST IN A FIRM, ASSOCIATION, PARTNERSHIP,
40 TRUST OR OTHER FORM OF BUSINESS ORGANIZATION, OTHER THAN A NATURAL
41 PERSON, WHICH IS OWNED, SUBJECT TO A POWER OR RIGHT OF CONTROL, OR HELD
42 WITH POWER TO VOTE, BY A HOLDING COMPANY OR AN INTERMEDIARY COMPANY.

43 41. "TABLE GAME". A GAME, OTHER THAN A SLOT MACHINE, WHICH IS AUTHOR-
44 IZED BY THE COMMISSION TO BE PLAYED IN A GAMING FACILITY.

45 42. "TRANSFER". THE SALE OR OTHER METHOD, EITHER DIRECTLY OR INDIRECT-
46 LY, OF DISPOSING OF OR PARTING WITH PROPERTY OR AN INTEREST THEREIN, OR
47 THE POSSESSION THEREOF, OR OF FIXING A LIEN UPON PROPERTY OR UPON AN
48 INTEREST THEREIN, ABSOLUTELY OR CONDITIONALLY, VOLUNTARILY OR INVOLUN-
49 TARILY, BY OR WITHOUT JUDICIAL PROCEEDINGS, AS A CONVEYANCE, SALE,
50 PAYMENT, PLEDGE, MORTGAGE, LIEN, ENCUMBRANCE, GIFT, SECURITY OR OTHER-
51 WISE; PROVIDED, HOWEVER, THAT THE RETENTION OF A SECURITY INTEREST IN
52 PROPERTY DELIVERED TO A CORPORATION SHALL BE DEEMED A TRANSFER SUFFERED
53 BY SUCH CORPORATION.

54 S 1302. AUDITING DUTIES OF THE COMMISSION. THE COMMISSION SHALL AUDIT
55 AS OFTEN AS THE COMMISSION DETERMINES NECESSARY, BUT NOT LESS THAN ANNU-
56 ALLY, THE ACCOUNTS, PROGRAMS, ACTIVITIES, AND FUNCTIONS OF ALL GAMING

1 FACILITY LICENSEES, INCLUDING THE AUDIT OF PAYMENTS MADE PURSUANT TO
2 SECTION ONE THOUSAND THREE HUNDRED FIFTY-ONE OF THIS CHAPTER. TO
3 CONDUCT THE AUDIT, AUTHORIZED OFFICERS AND EMPLOYEES OF THE COMMISSION
4 SHALL HAVE ACCESS TO SUCH ACCOUNTS AT REASONABLE TIMES AND THE COMMISS-
5 SION MAY REQUIRE THE PRODUCTION OF BOOKS, DOCUMENTS, VOUCHERS AND OTHER
6 RECORDS RELATING TO ANY MATTER WITHIN THE SCOPE OF THE AUDIT. ALL AUDITS
7 SHALL BE CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STAND-
8 ARDS ESTABLISHED BY THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNT-
9 ANTS. IN ANY AUDIT REPORT OF THE ACCOUNTS, FUNDS, PROGRAMS, ACTIVITIES
10 AND FUNCTIONS OF A GAMING FACILITY LICENSEE ISSUED BY THE COMMISSION
11 CONTAINING ADVERSE OR CRITICAL AUDIT RESULTS, THE COMMISSION MAY REQUIRE
12 A RESPONSE, IN WRITING, TO THE AUDIT RESULTS. THE RESPONSE SHALL BE
13 FORWARDED TO THE COMMISSION WITHIN FIFTEEN DAYS OF NOTIFICATION BY THE
14 COMMISSION.

15 S 1303. EQUIPMENT TESTING. UNLESS THE COMMISSION OTHERWISE DETERMINES
16 IT TO BE IN THE BEST INTERESTS OF THE STATE, THE COMMISSION SHALL
17 UTILIZE THE SERVICES OF AN INDEPENDENT TESTING LABORATORY THAT HAS BEEN
18 QUALIFIED AND APPROVED BY THE COMMISSION PURSUANT TO THIS ARTICLE TO
19 PERFORM THE TESTING OF SLOT MACHINES AND OTHER GAMING EQUIPMENT AND MAY
20 ALSO UTILIZE APPLICABLE DATA FROM THE INDEPENDENT TESTING LABORATORY, OR
21 FROM A GOVERNMENTAL AGENCY OF A STATE OTHER THAN NEW YORK, AUTHORIZED TO
22 REGULATE SLOT MACHINES AND OTHER GAMING EQUIPMENT.

23 S 1304. COMMISSION REPORTING. THE COMMISSION SHALL REPORT MONTHLY TO
24 THE GOVERNOR, THE SENATE AND THE ASSEMBLY, THE SENATE FINANCE COMMITTEE
25 AND THE ASSEMBLY WAYS AND MEANS COMMITTEE, AND THE CHAIRS OF THE SENATE
26 RACING, GAMING AND WAGERING COMMITTEE AND THE ASSEMBLY RACING AND WAGER-
27 ING COMMITTEE ON ECONOMIC DEVELOPMENT AND EMERGING TECHNOLOGIES ON THE
28 TOTAL GAMING REVENUES, PRIZE DISBURSEMENTS AND OTHER EXPENSES FOR THE
29 PRECEDING MONTH AND SHALL MAKE AN ANNUAL REPORT TO THE SAME RECIPIENTS
30 WHICH SHALL INCLUDE A FULL AND COMPLETE STATEMENT OF GAMING REVENUES,
31 PRIZE DISBURSEMENTS AND OTHER EXPENSES, INCLUDING SUCH RECOMMENDATIONS
32 AS THE COMMISSION CONSIDERS NECESSARY OR ADVISABLE. THE COMMISSION SHALL
33 ALSO REPORT IMMEDIATELY TO THE AFOREMENTIONED ON ANY MATTER WHICH
34 REQUIRES IMMEDIATE CHANGES IN THE LAWS IN ORDER TO PREVENT ABUSES OR
35 EVASIONS OF THE LAWS, RULES OR REGULATIONS RELATED TO GAMING OR TO
36 RECTIFY UNDESIRABLE CONDITIONS IN CONNECTION WITH THE ADMINISTRATION OR
37 OPERATION OF GAMING IN THE STATE.

38 S 1305. SUPPLEMENTAL POWER OF THE COMMISSION. THE COMMISSION SHALL
39 HAVE ALL POWERS NECESSARY OR CONVENIENT TO CARRY OUT AND EFFECTUATE ITS
40 PURPOSES INCLUDING, BUT NOT LIMITED TO, THE POWER TO:

41 1. EXECUTE ALL INSTRUMENTS NECESSARY OR CONVENIENT FOR ACCOMPLISHING
42 THE PURPOSES OF THIS ARTICLE;

43 2. ENTER INTO AGREEMENTS OR OTHER TRANSACTIONS WITH A PERSON, INCLUD-
44 ING, BUT NOT LIMITED TO, A PUBLIC ENTITY OR OTHER GOVERNMENTAL INSTRU-
45 MENTALITY OR AUTHORITY IN CONNECTION WITH ITS POWERS AND DUTIES UNDER
46 THIS ARTICLE;

47 3. REQUIRE AN APPLICANT FOR A POSITION WHICH REQUIRES A LICENSE UNDER
48 THIS ARTICLE TO APPLY FOR SUCH LICENSE AND APPROVE OR DISAPPROVE ANY
49 SUCH APPLICATION OR OTHER TRANSACTIONS, EVENTS AND PROCESSES AS PROVIDED
50 IN THIS ARTICLE;

51 4. REQUIRE A PERSON WHO HAS A BUSINESS ASSOCIATION OF ANY KIND WITH A
52 GAMING LICENSEE OR APPLICANT TO BE QUALIFIED FOR LICENSURE UNDER THIS
53 ARTICLE;

54 5. DETERMINE A SUITABLE DEBT-TO-EQUITY RATIO FOR APPLICANTS FOR A
55 GAMING LICENSE;

1 6. DENY AN APPLICATION OR LIMIT, CONDITION, RESTRICT, REVOKE OR
2 SUSPEND A LICENSE, REGISTRATION, FINDING OF SUITABILITY OR APPROVAL, OR
3 FINE A PERSON LICENSED, REGISTERED, FOUND SUITABLE OR APPROVED FOR ANY
4 CAUSE THAT THE COMMISSION DEEMS REASONABLE;

5 7. MONITOR THE CONDUCT OF LICENSEES AND OTHER PERSONS HAVING A MATERI-
6 AL INVOLVEMENT, DIRECTLY OR INDIRECTLY, WITH A LICENSEE FOR THE PURPOSE
7 OF ENSURING THAT LICENSES ARE NOT ISSUED TO OR HELD BY AND THAT THERE IS
8 NO DIRECT OR INDIRECT MATERIAL INVOLVEMENT WITH A LICENSEE, BY AN
9 UNQUALIFIED OR UNSUITABLE PERSON OR BY A PERSON WHOSE OPERATIONS ARE
10 CONDUCTED IN AN UNSUITABLE MANNER OR IN UNSUITABLE OR PROHIBITED PLACES
11 AS PROVIDED IN THIS ARTICLE;

12 8. GATHER FACTS AND INFORMATION APPLICABLE TO THE COMMISSION'S OBLI-
13 GATION TO ISSUE, SUSPEND OR REVOKE LICENSES, WORK PERMITS OR REGISTRA-
14 TIONS FOR:

15 (A) A VIOLATION OF THIS ARTICLE OR ANY REGULATION ADOPTED BY THE
16 COMMISSION;

17 (B) WILLFULLY VIOLATING AN ORDER OF THE COMMISSION DIRECTED TO A
18 LICENSEE;

19 (C) THE CONVICTION OF CERTAIN CRIMINAL OFFENSES; OR

20 (D) THE VIOLATION OF ANY OTHER OFFENSE WHICH WOULD DISQUALIFY SUCH A
21 LICENSEE FROM HOLDING A LICENSE, WORK PERMIT OR REGISTRATION;

22 9. CONDUCT INVESTIGATIONS INTO THE QUALIFICATIONS OF ANY REGULATED
23 ENTITY AND ALL APPLICANTS FOR LICENSURE;

24 10. REQUEST AND RECEIVE FROM THE DIVISION OF CRIMINAL JUSTICE SERVICES
25 AND THE FEDERAL BUREAU OF INVESTIGATION, CRIMINAL HISTORY INFORMATION AS
26 DEFINED IN PARAGRAPH (C) OF SUBDIVISION ONE OF SECTION EIGHT HUNDRED
27 FORTY-FIVE-B OF THE EXECUTIVE LAW FOR THE PURPOSE OF EVALUATING APPLI-
28 CANTS FOR EMPLOYMENT BY ANY REGULATED ENTITY, AND EVALUATING LICENSEES
29 AND APPLICANTS FOR LICENSURE UNDER THIS ARTICLE;

30 11. BE PRESENT, THROUGH ITS AGENTS, AT ALL TIMES, IN A GAMING FACILITY
31 FOR THE PURPOSES OF:

32 (A) CERTIFYING REVENUE;

33 (B) RECEIVING COMPLAINTS FROM THE PUBLIC RELATING TO THE CONDUCT OF
34 GAMING AND WAGERING OPERATIONS;

35 (C) EXAMINING RECORDS OF REVENUES AND PROCEDURES AND INSPECTING AND
36 AUDITING ALL BOOKS, DOCUMENTS AND RECORDS OF LICENSEES;

37 (D) CONDUCTING PERIODIC REVIEWS OF OPERATIONS AND FACILITIES FOR THE
38 PURPOSE OF REGULATIONS ADOPTED HEREUNDER; AND

39 (E) EXERCISING ITS OVERSIGHT RESPONSIBILITIES WITH RESPECT TO GAMING;

40 12. INSPECT AND HAVE ACCESS TO ALL EQUIPMENT AND SUPPLIES IN A GAMING
41 FACILITY OR ON PREMISES WHERE GAMING EQUIPMENT IS MANUFACTURED, SOLD OR
42 DISTRIBUTED;

43 13. SEIZE AND REMOVE FROM THE PREMISES OF A GAMING LICENSEE AND
44 IMPOUND ANY EQUIPMENT, SUPPLIES, DOCUMENTS AND RECORDS FOR THE PURPOSE
45 OF EXAMINATION AND INSPECTION;

46 14. DEMAND ACCESS TO AND INSPECT, EXAMINE, PHOTOCOPY AND AUDIT ALL
47 PAPERS, BOOKS AND RECORDS OF ANY AFFILIATE OF A GAMING LICENSEE OR
48 GAMING VENDOR WHOM THE COMMISSION SUSPECTS IS INVOLVED IN THE FINANCING,
49 OPERATION OR MANAGEMENT OF THE GAMING LICENSEE OR GAMING VENDOR;
50 PROVIDED, HOWEVER, THAT THE INSPECTION, EXAMINATION, PHOTOCOPYING AND
51 AUDIT MAY TAKE PLACE ON THE AFFILIATE'S PREMISES OR ELSEWHERE AS PRACTI-
52 CABLE AND IN THE PRESENCE OF THE AFFILIATE OR ITS AGENT;

53 15. REQUIRE THAT THE BOOKS AND FINANCIAL OR OTHER RECORDS OR STATE-
54 MENTS OF A GAMING LICENSEE OR GAMING VENDOR BE KEPT IN A MANNER THAT THE
55 COMMISSION CONSIDERS PROPER;

1 16. LEVY AND COLLECT ASSESSMENTS, FEES, FINES AND INTEREST AND IMPOSE
2 PENALTIES AND SANCTIONS AS AUTHORIZED BY LAW FOR A VIOLATION OF THIS
3 ARTICLE OR ANY REGULATIONS PROMULGATED BY THE COMMISSION;

4 17. COLLECT TAXES, FEES AND INTEREST UNDER THIS ARTICLE;

5 18. RESTRICT, SUSPEND OR REVOKE LICENSES ISSUED UNDER THIS ARTICLE;

6 19. REFER CASES FOR CRIMINAL PROSECUTION TO THE APPROPRIATE FEDERAL,
7 STATE OR LOCAL AUTHORITIES;

8 20. ADOPT, AMEND OR REPEAL REGULATIONS FOR THE IMPLEMENTATION, ADMIN-
9 STRATION AND ENFORCEMENT OF THIS ARTICLE; AND

10 21. DETERMINE A SUITABLE DURATION FOR EACH LICENSE, REGISTRATION OR
11 FINDING OF SUITABILITY OR APPROVAL.

12 S 1306. POWERS OF THE BOARD. THE NEW YORK STATE RESORT GAMING FACILITY
13 LOCATION BOARD SHALL SELECT, FOLLOWING A COMPETITIVE PROCESS AND SUBJECT
14 TO THE RESTRICTIONS OF THIS ARTICLE, NO MORE THAN FOUR ENTITIES TO APPLY
15 TO THE COMMISSION FOR GAMING FACILITY LICENSES. IN EXERCISING ITS
16 AUTHORITY, THE BOARD SHALL HAVE ALL POWERS NECESSARY OR CONVENIENT TO
17 FULLY CARRY OUT AND EFFECTUATE ITS PURPOSES INCLUDING, BUT NOT LIMITED
18 TO, THE FOLLOWING POWERS. THE BOARD SHALL:

19 1. ISSUE A REQUEST FOR APPLICATIONS FOR ZONE TWO GAMING FACILITY
20 LICENSES PURSUANT TO SECTION ONE THOUSAND THREE HUNDRED TWELVE OF THIS
21 ARTICLE;

22 2. ASSIST THE COMMISSION IN PRESCRIBING THE FORM OF THE APPLICATION
23 FOR ZONE TWO GAMING FACILITY LICENSES INCLUDING INFORMATION TO BE
24 FURNISHED BY AN APPLICANT CONCERNING AN APPLICANT'S ANTECEDENTS, HABITS,
25 CHARACTER, ASSOCIATES, CRIMINAL RECORD, BUSINESS ACTIVITIES AND FINAN-
26 CIAL AFFAIRS, PAST OR PRESENT PURSUANT TO SECTION ONE THOUSAND THREE
27 HUNDRED THIRTEEN OF THIS ARTICLE;

28 3. DEVELOP CRITERIA, IN ADDITION TO THOSE OUTLINED IN THIS ARTICLE, TO
29 ASSESS WHICH APPLICATIONS PROVIDE THE HIGHEST AND BEST VALUE TO THE
30 STATE, THE ZONE AND THE REGION IN WHICH A GAMING FACILITY IS TO BE
31 LOCATED;

32 4. DETERMINE A GAMING FACILITY LICENSE FEE TO BE PAID BY AN APPLICANT;

33 5. DETERMINE, FROM TIME TO TIME, WHETHER TRIBAL-STATE GAMING COMPACTS
34 ARE IN OR REMAIN IN GOOD STANDING FOR THE PURPOSES OF DETERMINING WHETH-
35 ER A GAMING FACILITY MAY BE LOCATED IN AREAS DESIGNATED BY SUBDIVISION
36 TWO OF SECTION ONE THOUSAND THREE HUNDRED ELEVEN OF THIS ARTICLE;

37 6. DETERMINE, WITH THE ASSISTANCE OF THE COMMISSION, THE SOURCES AND
38 TOTAL AMOUNT OF AN APPLICANT'S PROPOSED CAPITALIZATION TO DEVELOP,
39 CONSTRUCT, MAINTAIN AND OPERATE A PROPOSED GAMING FACILITY LICENSE UNDER
40 THIS ARTICLE;

41 7. HAVE THE AUTHORITY TO CONDUCT INVESTIGATIVE HEARINGS CONCERNING THE
42 CONDUCT OF GAMING AND GAMING OPERATIONS IN ACCORDANCE WITH ANY PROCE-
43 DURES SET FORTH IN THIS ARTICLE AND ANY APPLICABLE IMPLEMENTING REGU-
44 LATIONS;

45 8. ISSUE DETAILED FINDINGS OF FACTS AND CONCLUSIONS DEMONSTRATING THE
46 REASONS SUPPORTING ITS DECISIONS TO SELECT APPLICANTS FOR COMMISSION
47 LICENSURE;

48 9. REPORT ANNUALLY TO THE GOVERNOR, THE SPEAKER OF THE ASSEMBLY AND
49 THE TEMPORARY PRESIDENT OF THE SENATE, ITS PROCEEDINGS FOR THE PRECEDING
50 CALENDAR YEAR AND ANY SUGGESTIONS AND RECOMMENDATIONS AS IT SHALL DEEM
51 DESIRABLE;

52 10. PROMULGATE ANY RULES AND REGULATIONS THAT IT DEEMS NECESSARY TO
53 CARRY OUT ITS RESPONSIBILITIES;

54 11. HAVE THE POWER TO ADMINISTER OATHS AND EXAMINE WITNESSES; AND
55 REQUEST AND RECEIVE CRIMINAL HISTORY INFORMATION AS DEFINED IN PARAGRAPH
56 (C) OF SUBDIVISION ONE OF SECTION EIGHT HUNDRED FORTY-FIVE-B OF THE

1 EXECUTIVE LAW OF THE DIVISION OF CRIMINAL JUSTICE SERVICES, PURSUANT TO
2 SUBDIVISION EIGHT-A OF SECTION EIGHT HUNDRED THIRTY-SEVEN OF THE EXECU-
3 TIVE LAW, IN CONNECTION WITH EXECUTING THE RESPONSIBILITIES OF THE BOARD
4 RELATING TO LICENSING INCLUDING FINGERPRINTING, CRIMINAL HISTORY INFOR-
5 MATION AND BACKGROUND INVESTIGATIONS, OF ENTITIES APPLYING FOR A GAMING
6 FACILITY LICENSE. AT THE REQUEST OF THE BOARD, THE DIVISION OF CRIMINAL
7 JUSTICE SERVICES SHALL SUBMIT A FINGERPRINT CARD, ALONG WITH THE
8 SUBJECT'S PROCESSING FEE, TO THE FEDERAL BUREAU OF INVESTIGATION FOR THE
9 PURPOSE OF CONDUCTING A CRIMINAL HISTORY SEARCH AND RETURNING A REPORT
10 THEREON. THE BOARD SHALL ALSO BE ENTITLED TO REQUEST AND RECEIVE, PURSU-
11 ANT TO A WRITTEN MEMORANDUM OF UNDERSTANDING FILED WITH THE DEPARTMENT
12 OF STATE, ANY INFORMATION IN THE POSSESSION OF THE STATE ATTORNEY GENER-
13 AL RELATING TO THE INVESTIGATION OF ORGANIZED CRIME, GAMING OFFENSES,
14 OTHER REVENUE CRIMES OR TAX EVASION. PROVIDED HOWEVER, THE ATTORNEY
15 GENERAL MAY WITHHOLD ANY INFORMATION THAT (A) WOULD IDENTIFY A CONFIDEN-
16 TIAL SOURCE OR DISCLOSE CONFIDENTIAL INFORMATION RELATING TO A CRIMINAL
17 INVESTIGATION, (B) WOULD INTERFERE WITH LAW ENFORCEMENT INVESTIGATIONS
18 OR JUDICIAL PROCEEDINGS, (C) REVEAL CRIMINAL INVESTIGATIVE TECHNIQUES OR
19 PROCEDURES, THAT, IF DISCLOSED, COULD ENDANGER THE LIFE OR SAFETY OF ANY
20 PERSON, OR (D) CONSTITUTES RECORDS RECEIVED FROM OTHER STATE, LOCAL OR
21 FEDERAL AGENCIES THAT THE ATTORNEY GENERAL IS PROHIBITED BY LAW, REGU-
22 LATION OR AGREEMENT FROM DISCLOSING.

23 S 1307. REQUIRED REGULATIONS. 1. THE COMMISSION IS AUTHORIZED:

24 (A) TO ADOPT, AMEND OR REPEAL SUCH REGULATIONS, CONSISTENT WITH THE
25 POLICY AND OBJECTIVES OF THIS ARTICLE, AS AMENDED AND SUPPLEMENTED, AS
26 IT MAY DEEM NECESSARY TO PROTECT THE PUBLIC INTEREST IN CARRYING OUT THE
27 PROVISIONS OF THIS ARTICLE; AND

28 (B) TO ADOPT, AMEND OR REPEAL SUCH REGULATIONS AS MAY BE NECESSARY FOR
29 THE CONDUCT OF HEARINGS BEFORE THE COMMISSION AND FOR THE MATTERS WITHIN
30 ALL OTHER RESPONSIBILITIES AND DUTIES OF THE COMMISSION IMPOSED BY THIS
31 ARTICLE.

32 2. THE COMMISSION SHALL, WITHOUT LIMITATION, INCLUDE THE FOLLOWING
33 SPECIFIC PROVISIONS IN ITS REGULATIONS IN ACCORDANCE WITH THE PROVISIONS
34 OF THIS ARTICLE:

35 (A) PRESCRIBING THE METHODS AND FORMS OF APPLICATION AND REGISTRATION
36 WHICH ANY APPLICANT OR REGISTRANT SHALL FOLLOW AND COMPLETE;

37 (B) PRESCRIBING THE METHODS, PROCEDURES AND FORM FOR DELIVERY OF
38 INFORMATION CONCERNING ANY PERSON'S FAMILY, HABITS, CHARACTER, ASSOCI-
39 ATES, CRIMINAL RECORD, BUSINESS ACTIVITIES AND FINANCIAL AFFAIRS;

40 (C) PRESCRIBING SUCH PROCEDURES FOR THE FINGERPRINTING OF AN APPLI-
41 CANT, EMPLOYEE OF A LICENSEE, OR REGISTRANT, AND METHODS OF IDENTIFICA-
42 TION WHICH MAY BE NECESSARY TO ACCOMPLISH EFFECTIVE ENFORCEMENT OF
43 RESTRICTIONS ON ACCESS TO THE CASINO AND OTHER RESTRICTED CASINO AREAS
44 OF THE GAMING FACILITY;

45 (D) PRESCRIBING THE METHOD OF NOTICE TO AN APPLICANT, REGISTRANT OR
46 LICENSEE CONCERNING THE RELEASE OF ANY INFORMATION OR DATA PROVIDED TO
47 THE COMMISSION BY SUCH APPLICANT, REGISTRANT OR LICENSEE;

48 (E) PRESCRIBING THE MANNER AND PROCEDURE OF ALL HEARINGS CONDUCTED BY
49 THE COMMISSION OR ANY PRESIDING OFFICER;

50 (F) PRESCRIBING THE MANNER AND METHOD OF COLLECTION OF PAYMENTS OF
51 TAXES, FEES, INTEREST AND PENALTIES;

52 (G) DEFINING AND LIMITING THE AREAS OF OPERATION, THE RULES OF AUTHOR-
53 IZED GAMES, ODDS, AND DEVICES PERMITTED, AND THE METHOD OF OPERATION OF
54 SUCH GAMES AND DEVICES;

55 (H) REGULATING THE PRACTICE AND PROCEDURES FOR NEGOTIABLE TRANSACTIONS
56 INVOLVING PATRONS, INCLUDING LIMITATIONS ON THE CIRCUMSTANCES AND

1 AMOUNTS OF SUCH TRANSACTIONS, AND THE ESTABLISHMENT OF FORMS AND PROCE-
2 DURES FOR NEGOTIABLE INSTRUMENT TRANSACTIONS, REDEMPTIONS, AND CONSOL-
3 IDATIONS;

4 (I) PRESCRIBING GROUNDS AND PROCEDURES FOR THE REVOCATION OR SUSPEN-
5 SION OF OPERATING CERTIFICATES, LICENSES AND REGISTRATIONS;

6 (J) GOVERNING THE MANUFACTURE, DISTRIBUTION, SALE, DEPLOYMENT, AND
7 SERVICING OF GAMING DEVICES AND EQUIPMENT;

8 (K) PRESCRIBING FOR GAMING OPERATIONS THE PROCEDURES, FORMS AND METH-
9 ODS OF MANAGEMENT CONTROLS, INCLUDING EMPLOYEE AND SUPERVISORY TABLES OF
10 ORGANIZATION AND RESPONSIBILITY, AND MINIMUM SECURITY AND SURVEILLANCE
11 STANDARDS, INCLUDING SECURITY PERSONNEL STRUCTURE, ALARM AND OTHER ELEC-
12 TRICAL OR VISUAL SECURITY MEASURES; PROVIDED, HOWEVER, THAT THE COMMIS-
13 SION SHALL GRANT AN APPLICANT BROAD DISCRETION CONCERNING THE ORGANIZA-
14 TION AND RESPONSIBILITIES OF MANAGEMENT PERSONNEL WHO ARE NOT DIRECTLY
15 INVOLVED IN THE SUPERVISION OF GAMING OPERATIONS;

16 (L) PRESCRIBING THE QUALIFICATIONS OF, AND THE CONDITIONS PURSUANT TO
17 WHICH, ENGINEERS, ACCOUNTANTS, AND OTHERS SHALL BE PERMITTED TO PRACTICE
18 BEFORE THE COMMISSION OR TO SUBMIT MATERIALS ON BEHALF OF ANY APPLICANT
19 OR LICENSEE;

20 (M) PRESCRIBING MINIMUM PROCEDURES FOR THE EXERCISE OF EFFECTIVE
21 CONTROL OVER THE INTERNAL FISCAL AFFAIRS OF A LICENSEE, INCLUDING
22 PROVISIONS FOR THE SAFEGUARDING OF ASSETS AND REVENUES, THE RECORDING OF
23 CASH AND EVIDENCE OF INDEBTEDNESS, AND THE MAINTENANCE OF RELIABLE
24 RECORDS, ACCOUNTS, AND REPORTS OF TRANSACTIONS, OPERATIONS AND EVENTS,
25 INCLUDING REPORTS TO THE COMMISSION;

26 (N) PROVIDING FOR A MINIMUM UNIFORM STANDARD OF ACCOUNTANCY METHODS,
27 PROCEDURES AND FORMS; A UNIFORM CODE OF ACCOUNTS AND ACCOUNTING CLASSI-
28 FICATIONS; AND SUCH OTHER STANDARD OPERATING PROCEDURES, AS MAY BE
29 NECESSARY TO ASSURE CONSISTENCY, COMPARABILITY, AND EFFECTIVE DISCLOSURE
30 OF ALL FINANCIAL INFORMATION, INCLUDING CALCULATIONS OF PERCENTAGES OF
31 PROFIT BY GAMES, TABLES, GAMING DEVICES AND SLOT MACHINES;

32 (O) REQUIRING QUARTERLY FINANCIAL REPORTS AND THE FORM THEREOF, AND AN
33 ANNUAL AUDIT PREPARED BY A CERTIFIED PUBLIC ACCOUNTANT LICENSED TO DO
34 BUSINESS IN THIS STATE, ATTESTING TO THE FINANCIAL CONDITION OF A LICEN-
35 SEE AND DISCLOSING WHETHER THE ACCOUNTS, RECORDS AND CONTROL PROCEDURES
36 EXAMINED ARE MAINTAINED BY THE LICENSEE AS REQUIRED BY THIS ARTICLE AND
37 THE REGULATIONS PROMULGATED HEREUNDER;

38 (P) GOVERNING THE GAMING-RELATED ADVERTISING OF LICENSEES, THEIR
39 EMPLOYEES AND AGENTS, WITH THE VIEW TOWARD ASSURING THAT SUCH ADVERTISE-
40 MENTS ARE NOT DECEPTIVE; AND

41 (Q) GOVERNING THE DISTRIBUTION AND CONSUMPTION OF ALCOHOLIC BEVERAGES
42 ON THE PREMISES OF THE LICENSEE.

43 3. THE COMMISSION SHALL, IN ITS REGULATIONS, PRESCRIBE THE MANNER AND
44 PROCEDURE OF ALL HEARINGS CONDUCTED BY THE COMMISSION.

45 S 1308. REPORTS AND RECOMMENDATIONS. THE COMMISSION SHALL CARRY ON A
46 CONTINUOUS STUDY OF THE OPERATION AND ADMINISTRATION OF CASINO CONTROL
47 LAWS WHICH MAY BE IN EFFECT IN OTHER JURISDICTIONS, LITERATURE ON THIS
48 SUBJECT WHICH MAY FROM TIME TO TIME BECOME AVAILABLE, AND FEDERAL LAWS
49 WHICH MAY AFFECT THE OPERATION OF CASINO GAMING IN THIS STATE. IT SHALL
50 BE RESPONSIBLE FOR ASCERTAINING ANY DEFECTS IN THIS ARTICLE OR IN THE
51 RULES AND REGULATIONS ISSUED THEREUNDER, FORMULATING RECOMMENDATIONS FOR
52 CHANGES IN THIS ARTICLE. THE COMMISSION SHALL MAKE AVAILABLE TO THE
53 GOVERNOR AND THE LEGISLATURE WITHIN ITS ANNUAL REPORT AN ACCOUNTING OF
54 ALL REVENUES, EXPENSES AND DISBURSEMENTS, A REVIEW OF ITS LICENSING AND
55 ENFORCEMENT ACTIVITIES CONDUCTED PURSUANT TO SECTION ONE THOUSAND THREE
56 HUNDRED FORTY OF THIS ARTICLE AND SHALL INCLUDE THEREIN SUCH RECOMMENDA-

TIONS FOR CHANGES IN THIS ARTICLE AS THE COMMISSION DEEMS NECESSARY OR DESIRABLE.

S 1309. SEVERABILITY AND PREEMPTION. 1. IF ANY CLAUSE, SENTENCE, SUBPARAGRAPH, PARAGRAPH, SUBDIVISION, SECTION, ARTICLE OR OTHER PORTION OF THIS ARTICLE OR THE APPLICATION THEREOF TO ANY PERSON OR CIRCUMSTANCES SHALL BE HELD TO BE INVALID, SUCH HOLDING SHALL NOT AFFECT, IMPAIR OR INVALIDATE THE REMAINDER OF THIS ARTICLE OR THE APPLICATION OF SUCH PORTION HELD INVALID TO ANY OTHER PERSON OR CIRCUMSTANCES, BUT SHALL BE CONFINED IN ITS OPERATION TO THE CLAUSE, SENTENCE, PARAGRAPH, SUBPARAGRAPH, SUBDIVISION, SECTION, ARTICLE OR OTHER PORTION THEREOF DIRECTLY INVOLVED IN SUCH HOLDING OR TO THE PERSON OR CIRCUMSTANCE THEREIN INVOLVED.

2. IF ANY PROVISION OF THIS ARTICLE IS INCONSISTENT WITH, IN CONFLICT WITH, OR CONTRARY TO ANY OTHER PROVISION OF LAW, SUCH PROVISION OF THIS ARTICLE SHALL PREVAIL OVER SUCH OTHER PROVISION AND SUCH OTHER PROVISION SHALL BE DEEMED TO BE SUPERSEDED TO THE EXTENT OF SUCH INCONSISTENCY OR CONFLICT. NOTWITHSTANDING THE PROVISIONS OF ANY OTHER LAW TO THE CONTRARY, NO LOCAL GOVERNMENT UNIT OF THIS STATE MAY ENACT OR ENFORCE ANY ORDINANCE OR RESOLUTION CONFLICTING WITH ANY PROVISION OF THIS ARTICLE OR WITH ANY POLICY OF THIS STATE EXPRESSED OR IMPLIED HEREIN, WHETHER BY EXCLUSION OR INCLUSION. THE COMMISSION SHALL HAVE EXCLUSIVE JURISDICTION OVER ALL MATTERS DELEGATED TO IT OR WITHIN THE SCOPE OF ITS POWERS UNDER THE PROVISIONS OF THIS ARTICLE.

TITLE 2

FACILITY DETERMINATION AND LICENSING

SECTION 1310. DEVELOPMENT ZONES AND REGIONS.

1311. LICENSE AUTHORIZATION; RESTRICTIONS.

1312. REQUESTS FOR APPLICATIONS.

1313. FORM OF APPLICATION.

1314. LICENSE APPLICANT ELIGIBILITY.

1315. REQUIRED CAPITAL INVESTMENT.

1316. MINIMUM LICENSE THRESHOLDS.

1317. INVESTIGATION OF LICENSE APPLICANTS.

1318. DISQUALIFYING CRITERIA.

1319. INVESTIGATIVE HEARINGS.

1320. SITING EVALUATION.

1321. INTENTIONALLY OMITTED.

S 1310. DEVELOPMENT ZONES AND REGIONS. 1. THERE ARE HEREBY CREATED TWO DEVELOPMENT ZONES TO BE KNOWN AS THE ZONE ONE AND ZONE TWO. ZONE ONE SHALL INCLUDE THE CITY OF NEW YORK AND THE COUNTIES OF NASSAU, PUTNAM, ROCKLAND, SUFFOLK AND WESTCHESTER. ZONE TWO SHALL INCLUDE ALL THE OTHER COUNTIES OF THE STATE.

2. EACH ZONE SHALL BE DIVIDED INTO DEVELOPMENT REGIONS. (A) THE THREE DEVELOPMENT REGIONS IN ZONE ONE SHALL BE COMPRISED OF THE FOLLOWING COUNTIES:

(1) REGION ONE SHALL CONSIST OF PUTNAM, ROCKLAND AND WESTCHESTER COUNTIES;

(2) REGION TWO SHALL CONSIST OF BRONX, KINGS, NEW YORK, QUEENS AND RICHMOND COUNTIES. NO GAMING FACILITY SHALL BE AUTHORIZED IN REGION TWO; AND

(3) REGION THREE SHALL CONSIST OF NASSAU AND SUFFOLK COUNTIES.

(B) THE SIX DEVELOPMENT REGIONS IN ZONE TWO SHALL BE COMPRISED OF THE FOLLOWING COUNTIES:

(1) REGION ONE SHALL CONSIST OF COLUMBIA, DELAWARE, DUTCHESS, GREENE, ORANGE, SULLIVAN AND ULSTER COUNTIES;

(2) REGION TWO SHALL CONSIST OF ALBANY, FULTON, MONTGOMERY, RENSSELAER, SARATOGA, SCHENECTADY, SCHOHARIE AND WASHINGTON COUNTIES.

(3) REGION THREE SHALL CONSIST OF CLINTON, ESSEX, FRANKLIN, HAMILTON, JEFFERSON, SAINT LAWRENCE AND WARREN COUNTIES;

(4) REGION FOUR SHALL CONSIST OF CAYUGA, CHENANGO, CORTLAND, HERKIMER, LEWIS, MADISON, ONEIDA, ONONDAGA, OSWEGO AND OTSEGO COUNTIES;

(5) REGION FIVE SHALL CONSIST OF BROOME, CHEMUNG (EAST OF STATE ROUTE 14), SCHUYLER (EAST OF STATE ROUTE 14), SENECA, TIOGA, TOMPKINS, AND WAYNE (EAST OF STATE ROUTE 14) COUNTIES; AND

(6) REGION SIX SHALL CONSIST OF ALLEGANY, CATTARAUGUS, CHAUTAUQUA, CHEMUNG (WEST OF STATE ROUTE 14), ERIE, GENESEE, LIVINGSTON, MONROE, NIAGARA, ONTARIO, ORLEANS, SCHUYLER (WEST OF STATE ROUTE 14), STEUBEN, WAYNE (WEST OF STATE ROUTE 14), WYOMING, AND YATES COUNTIES.

S 1311. LICENSE AUTHORIZATION; RESTRICTIONS. 1. THE COMMISSION IS AUTHORIZED TO AWARD UP TO FOUR GAMING FACILITY LICENSES, IN REGIONS ONE, TWO AND FIVE OF ZONE TWO. THE DURATION OF SUCH INITIAL LICENSE SHALL BE TEN YEARS. THE TERM OF RENEWAL SHALL BE DETERMINED BY THE COMMISSION. THE COMMISSION MAY AWARD A SECOND LICENSE TO A QUALIFIED APPLICANT IN NO MORE THAN A SINGLE REGION. THE COMMISSION IS NOT EMPOWERED TO AWARD ANY LICENSE IN ZONE ONE. NO GAMING FACILITIES ARE AUTHORIZED UNDER THIS ARTICLE FOR THE CITY OF NEW YORK OR ANY OTHER PORTION OF ZONE ONE.

AS A CONDITION OF LICENSURE, LICENSEES ARE REQUIRED TO COMMENCE GAMING OPERATIONS NO LESS THAN TWENTY-FOUR MONTHS FOLLOWING LICENSE AWARD. NO ADDITIONAL LICENSES MAY BE AWARDED DURING THE TWENTY-FOUR MONTH PERIOD, NOR FOR AN ADDITIONAL SIXTY MONTHS FOLLOWING THE END OF THE TWENTY-FOUR MONTH PERIOD. SHOULD THE STATE LEGISLATIVELY AUTHORIZE ADDITIONAL GAMING FACILITY LICENSES WITHIN THESE PERIODS, LICENSEES SHALL HAVE THE RIGHT TO RECOVER THE LICENSE FEE PAID PURSUANT TO SECTION ONE THOUSAND THREE HUNDRED SIX OF THIS ARTICLE.

THIS RIGHT SHALL BE INCORPORATED INTO THE LICENSE ITSELF, VEST UPON THE OPENING OF A GAMING FACILITY IN ZONE ONE OR IN THE SAME REGION AS THE LICENSEE AND ENTITLE THE HOLDER OF SUCH LICENSE TO BRING AN ACTION IN THE COURT OF CLAIMS TO RECOVER THE LICENSE FEE PAID PURSUANT TO SECTION ONE THOUSAND THREE HUNDRED FIFTEEN OF THIS ARTICLE IN THE EVENT THAT ANY GAMING FACILITY LICENSE IN EXCESS OF THE NUMBER AUTHORIZED BY THIS SECTION AS OF THE EFFECTIVE DATE OF THIS SECTION IS AWARDED WITHIN SEVEN YEARS FROM THE DATE THAT THE INITIAL GAMING FACILITY LICENSE IS AWARDED. THIS RIGHT TO RECOVER ANY SUCH FEE SHALL BE PROPORTIONATE TO THE LENGTH OF THE RESPECTIVE PERIOD THAT IS STILL REMAINING UPON THE VESTING OF SUCH RIGHT.

ADDITIONALLY, THE RIGHT TO BRING AN ACTION IN THE COURT OF CLAIMS TO RECOVER THE FEE PAID TO THE STATE ON THE TWENTY-FOURTH DAY OF SEPTEMBER, TWO THOUSAND TEN, BY THE OPERATOR OF A VIDEO LOTTERY GAMING FACILITY IN A CITY OF MORE THAN ONE MILLION SHALL VEST WITH SUCH OPERATOR UPON THE OPENING OF ANY GAMING FACILITY LICENSED BY THE COMMISSION IN ZONE ONE WITHIN SEVEN YEARS FROM THE DATE THAT THE INITIAL GAMING FACILITY LICENSE IS AWARDED; PROVIDED HOWEVER THAT THE AMOUNT RECOVERABLE SHALL BE LIMITED TO THE PRO RATA AMOUNT OF THE TIME REMAINING UNTIL THE END OF THE SEVEN YEAR EXCLUSIVITY PERIOD, PROPORTIONATE TO THE PERIOD OF TIME BETWEEN THE DATE OF OPENING OF THE VIDEO LOTTERY FACILITY UNTIL THE CONCLUSION OF THE SEVEN YEAR PERIOD.

2. NOTWITHSTANDING THE FOREGOING, NO CASINO GAMING FACILITY SHALL BE AUTHORIZED:

(A) IN THE COUNTIES OF CLINTON, ESSEX, FRANKLIN, HAMILTON, JEFFERSON, LEWIS, SAINT LAWRENCE AND WARREN;

(B) WITHIN THE FOLLOWING AREA: (1) TO THE EAST, STATE ROUTE 14 FROM SODUS POINT TO THE PENNSYLVANIA BORDER WITH NEW YORK; (2) TO THE NORTH, THE BORDER BETWEEN NEW YORK AND CANADA; (3) TO THE SOUTH, THE PENNSYLVANIA BORDER WITH NEW YORK; AND (4) TO THE WEST, THE BORDER BETWEEN NEW YORK AND CANADA AND THE BORDER BETWEEN PENNSYLVANIA AND NEW YORK; AND

(C) IN THE COUNTIES OF CAYUGA, CHENANGO, CORTLAND, HERKIMER, LEWIS, MADISON, ONEIDA, ONONDAGA, OSWEGO AND OTSEGO.

S 1312. REQUESTS FOR APPLICATIONS. 1. THE BOARD SHALL ISSUE WITHIN NINETY DAYS OF A MAJORITY OF MEMBERS BEING APPOINTED A REQUEST FOR APPLICATIONS FOR A GAMING FACILITY LICENSE IN REGIONS ONE, TWO AND FIVE IN ZONE TWO; PROVIDED, HOWEVER, THAT THE BOARD SHALL NOT ISSUE ANY REQUESTS FOR APPLICATIONS FOR ANY REGION IN ZONE ONE; AND FURTHER PROVIDED THAT THE BOARD SHALL NOT ISSUE ANY REQUESTS FOR APPLICATIONS WITH RESPECT TO ANY GAMING FACILITY SUBSEQUENTLY LEGISLATIVELY AUTHORIZED UNTIL SEVEN YEARS FOLLOWING THE COMMENCEMENT OF GAMING ACTIVITIES IN ZONE TWO. ALL REQUESTS FOR APPLICATIONS SHALL INCLUDE:

(A) THE TIME AND DATE FOR RECEIPT OF RESPONSES TO THE REQUEST FOR APPLICATIONS, THE MANNER THEY ARE TO BE RECEIVED AND THE ADDRESS OF THE OFFICE TO WHICH THE APPLICATIONS SHALL BE DELIVERED;

(B) THE FORM OF THE APPLICATION AND THE METHOD FOR SUBMISSION;

(C) A GENERAL DESCRIPTION OF THE ANTICIPATED SCHEDULE FOR PROCESSING THE APPLICATION;

(D) THE CONTACT INFORMATION OF BOARD EMPLOYEES RESPONSIBLE FOR HANDLING APPLICANT QUESTIONS; AND

(E) ANY OTHER INFORMATION THAT THE BOARD DETERMINES.

2. BOARD ACTIVITIES SHALL BE SUBJECT TO SECTION ONE HUNDRED THIRTY-NINE-J AND SECTION ONE HUNDRED THIRTY-NINE-K OF THE STATE FINANCE LAW.

3. REQUESTS FOR APPLICATIONS PURSUANT TO SUBDIVISION ONE OF THIS SECTION SHALL BE ADVERTISED IN A NEWSPAPER OF GENERAL CIRCULATION AND ON THE OFFICIAL INTERNET WEBSITE OF THE COMMISSION AND THE BOARD.

4. THE BOARD SHALL ESTABLISH DEADLINES FOR THE RECEIPT OF ALL APPLICATIONS. APPLICATIONS RECEIVED AFTER THE DEADLINE SHALL NOT BE REVIEWED BY THE BOARD.

S 1313. FORM OF APPLICATION. 1. THE COMMISSION AND THE BOARD SHALL PRESCRIBE THE INITIAL FORM OF THE APPLICATION FOR GAMING LICENSES WHICH SHALL REQUIRE, BUT NOT BE LIMITED TO:

(A) THE NAME OF THE APPLICANT;

(B) THE MAILING ADDRESS AND, IF A CORPORATION, THE NAME OF THE STATE UNDER THE LAWS OF WHICH IT IS INCORPORATED, THE LOCATION OF ITS PRINCIPAL PLACE OF BUSINESS AND THE NAMES AND ADDRESSES OF ITS DIRECTORS AND SUCH STOCKHOLDERS AS TO BE DETERMINED BY THE COMMISSION;

(C) THE IDENTITY OF EACH PERSON HAVING A DIRECT OR INDIRECT INTEREST IN THE BUSINESS AND THE NATURE OF SUCH INTEREST; PROVIDED, HOWEVER, THAT IF THE DISCLOSED ENTITY IS A TRUST, THE APPLICATION SHALL DISCLOSE THE NAMES AND ADDRESSES OF ALL BENEFICIARIES; PROVIDED FURTHER, THAT IF THE DISCLOSED ENTITY IS A PARTNERSHIP, THE APPLICATION SHALL DISCLOSE THE NAMES AND ADDRESSES OF ALL PARTNERS, BOTH GENERAL AND LIMITED; AND PROVIDED FURTHER, THAT IF THE DISCLOSED ENTITY IS A LIMITED LIABILITY COMPANY, THE APPLICATION SHALL DISCLOSE THE NAMES AND ADDRESSES OF ALL MEMBERS;

(D) AN INDEPENDENT AUDIT REPORT OF ALL FINANCIAL ACTIVITIES AND INTERESTS INCLUDING, BUT NOT LIMITED TO, THE DISCLOSURE OF ALL CONTRIBUTIONS, DONATIONS, LOANS OR ANY OTHER FINANCIAL TRANSACTIONS TO OR FROM A GAMING ENTITY OR OPERATOR IN THE PAST FIVE YEARS;

1 (E) CLEAR AND CONVINCING EVIDENCE OF FINANCIAL STABILITY INCLUDING,
2 BUT NOT LIMITED TO, BANK REFERENCES, BUSINESS AND PERSONAL INCOME AND
3 DISBURSEMENT SCHEDULES, TAX RETURNS AND OTHER REPORTS FILED BY GOVERN-
4 MENT AGENCIES AND BUSINESS AND PERSONAL ACCOUNTING CHECK RECORDS AND
5 LEDGERS;

6 (F) INFORMATION AND DOCUMENTATION TO DEMONSTRATE THAT THE APPLICANT
7 HAS SUFFICIENT BUSINESS ABILITY AND EXPERIENCE TO CREATE THE LIKELIHOOD
8 OF ESTABLISHING AND MAINTAINING A SUCCESSFUL GAMING FACILITY;

9 (G) A FULL DESCRIPTION OF THE PROPOSED INTERNAL CONTROLS AND SECURITY
10 SYSTEMS FOR THE PROPOSED GAMING FACILITY AND ANY RELATED FACILITIES;

11 (H) THE DESIGNS FOR THE PROPOSED GAMING FACILITY, INCLUDING THE NAMES
12 AND ADDRESSES OF THE ARCHITECTS, ENGINEERS AND DESIGNERS, AND A TIMELINE
13 OF CONSTRUCTION THAT INCLUDES DETAILED STAGES OF CONSTRUCTION FOR THE
14 GAMING FACILITY AND NON-GAMING STRUCTURES, WHERE APPLICABLE, AND A
15 PROPOSED DATE TO OPEN FOR GAMING;

16 (I) THE NUMBER OF CONSTRUCTION HOURS ESTIMATED TO COMPLETE THE WORK;

17 (J) A DESCRIPTION OF THE ANCILLARY ENTERTAINMENT SERVICES AND AMEN-
18 ITIES TO BE PROVIDED AT THE PROPOSED GAMING FACILITY;

19 (K) THE NUMBER OF EMPLOYEES TO BE EMPLOYED AT THE PROPOSED GAMING
20 FACILITY, INCLUDING DETAILED INFORMATION ON THE PAY RATE AND BENEFITS
21 FOR EMPLOYEES;

22 (L) COMPLETED STUDIES AND REPORTS AS REQUIRED BY THE COMMISSION, WHICH
23 SHALL INCLUDE, BUT NOT BE LIMITED TO, AN EXAMINATION OF THE PROPOSED
24 GAMING FACILITY'S:

25 (1) ECONOMIC BENEFITS TO THE REGION AND THE STATE;

26 (2) LOCAL AND REGIONAL SOCIAL, ENVIRONMENTAL, TRAFFIC AND INFRASTRUC-
27 TURE IMPACTS;

28 (3) IMPACT ON THE LOCAL AND REGIONAL ECONOMY, INCLUDING THE IMPACT ON
29 CULTURAL INSTITUTIONS AND ON SMALL BUSINESSES IN THE HOST MUNICIPALITY
30 AND NEARBY MUNICIPALITIES;

31 (4) COST TO THE HOST MUNICIPALITY, NEARBY MUNICIPALITIES AND THE STATE
32 FOR THE PROPOSED GAMING FACILITY TO BE LOCATED AT THE PROPOSED LOCATION;
33 AND

34 (5) THE ESTIMATED STATE TAX REVENUE TO BE GENERATED BY THE GAMING
35 FACILITY;

36 (M) THE NAMES OF PROPOSED VENDORS OF GAMING EQUIPMENT;

37 (N) THE LOCATION OF THE PROPOSED GAMING FACILITY, WHICH SHALL INCLUDE
38 THE ADDRESS, MAPS, BOOK AND PAGE NUMBERS FROM THE APPROPRIATE REGISTRY
39 OF DEEDS, ASSESSED VALUE OF THE LAND AT THE TIME OF APPLICATION AND
40 OWNERSHIP INTERESTS OVER THE PAST TWENTY YEARS, INCLUDING ALL INTERESTS,
41 OPTIONS, AGREEMENTS IN PROPERTY AND DEMOGRAPHIC, GEOGRAPHIC AND ENVIRON-
42 MENTAL INFORMATION AND ANY OTHER INFORMATION REQUESTED BY THE COMMIS-
43 SION;

44 (O) THE TYPE AND NUMBER OF GAMES TO BE CONDUCTED AT THE PROPOSED
45 GAMING FACILITY AND THE SPECIFIC LOCATION OF THE GAMES IN THE PROPOSED
46 GAMING FACILITY;

47 (P) THE NUMBER OF HOTELS AND ROOMS, RESTAURANTS AND OTHER AMENITIES
48 LOCATED AT THE PROPOSED GAMING FACILITY AND HOW THEY MEASURE IN QUALITY
49 TO OTHER AREA HOTELS AND AMENITIES;

50 (Q) WHETHER THE APPLICANT'S PROPOSED GAMING FACILITY IS PART OF A
51 REGIONAL OR LOCAL ECONOMIC PLAN; AND

52 (R) WHETHER THE APPLICANT PURCHASED OR INTENDS TO PURCHASE
53 PUBLICLY-OWNED LAND FOR THE PROPOSED GAMING FACILITY.

54 2. APPLICATIONS FOR LICENSES SHALL BE PUBLIC RECORDS; PROVIDED HOWEV-
55 ER, THAT TRADE SECRETS, COMPETITIVELY-SENSITIVE OR OTHER PROPRIETARY
56 INFORMATION PROVIDED IN THE COURSE OF AN APPLICATION FOR A GAMING

LICENSE UNDER THIS ARTICLE, THE DISCLOSURE OF WHICH WOULD PLACE THE APPLICANT AT A COMPETITIVE DISADVANTAGE, MAY BE WITHHELD FROM DISCLOSURE PURSUANT TO PARAGRAPH (D) OF SUBDIVISION TWO OF SECTION EIGHTY-SEVEN OF THE PUBLIC OFFICERS LAW.

S 1314. LICENSE APPLICANT ELIGIBILITY. 1. GAMING FACILITY LICENSES SHALL ONLY BE ISSUED TO APPLICANTS WHO ARE QUALIFIED UNDER THE CRITERIA SET FORTH IN THIS ARTICLE, AS DETERMINED BY THE COMMISSION.

2. AS A CONDITION OF FILING, EACH POTENTIAL LICENSE APPLICANT MUST DEMONSTRATE TO THE BOARD'S SATISFACTION THAT LOCAL SUPPORT HAS BEEN DEMONSTRATED.

3. WITHIN ANY DEVELOPMENT REGION, IF THE COMMISSION IS NOT CONVINCED THAT THERE IS AN APPLICANT THAT HAS MET THE ELIGIBILITY CRITERIA OR THE BOARD FINDS THAT NO APPLICANT HAS PROVIDED SUBSTANTIAL EVIDENCE THAT ITS PROPOSAL WILL PROVIDE VALUE TO THE REGION IN WHICH THE GAMING FACILITY IS PROPOSED TO BE LOCATED, NO GAMING FACILITY LICENSE SHALL BE AWARDED IN THAT REGION.

S 1315. REQUIRED CAPITAL INVESTMENT. 1. THE BOARD SHALL ESTABLISH THE MINIMUM CAPITAL INVESTMENT FOR A GAMING FACILITY BY ZONE AND REGION. SUCH INVESTMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, A CASINO AREA, AT LEAST ONE HOTEL AND OTHER AMENITIES; AND PROVIDED FURTHER, THAT THE BOARD SHALL DETERMINE WHETHER IT WILL INCLUDE THE PURCHASE OR LEASE PRICE OF THE LAND WHERE THE GAMING FACILITY WILL BE LOCATED OR ANY INFRASTRUCTURE DESIGNED TO SUPPORT THE SITE INCLUDING, BUT NOT LIMITED TO, DRAINAGE, UTILITY SUPPORT, ROADWAYS, INTERCHANGES, FILL AND SOIL OR GROUNDWATER OR SURFACE WATER CONTAMINATION ISSUES. THE BOARD MAY CONSIDER PRIVATE CAPITAL INVESTMENT MADE PREVIOUS TO THE EFFECTIVE DATE OF THIS SECTION, BUT MAY, IN ITS DISCRETION, DISCOUNT A PERCENTAGE OF THE INVESTMENT MADE. UPON AWARD OF A GAMING LICENSE BY THE COMMISSION, THE APPLICANT SHALL BE REQUIRED TO DEPOSIT TEN PERCENT OF THE TOTAL INVESTMENT PROPOSED IN THE APPLICATION INTO AN INTEREST-BEARING ACCOUNT. MONIES RECEIVED FROM THE APPLICANT SHALL BE HELD IN ESCROW UNTIL THE FINAL STAGE OF CONSTRUCTION, AS DETAILED IN THE TIMELINE OF CONSTRUCTION SUBMITTED WITH THE LICENSEE'S APPLICATION AND APPROVED BY THE COMMISSION, AT WHICH TIME THE DEPOSIT PLUS INTEREST EARNED SHALL BE RETURNED TO THE APPLICANT TO BE APPLIED FOR THE FINAL STAGE. SHOULD THE APPLICANT BE UNABLE TO COMPLETE THE GAMING FACILITY, THE DEPOSIT SHALL BE FORFEITED TO THE STATE. IN PLACE OF A CASH DEPOSIT, THE COMMISSION MAY ALLOW FOR AN APPLICANT TO SECURE A DEPOSIT BOND INSURING THAT TEN PERCENT OF THE PROPOSED CAPITAL INVESTMENT SHALL BE FORFEITED TO THE STATE IF THE APPLICANT IS UNABLE TO COMPLETE THE GAMING FACILITY.

2. EACH APPLICANT SHALL SUBMIT ITS PROPOSED CAPITAL INVESTMENT WITH ITS APPLICATION TO THE BOARD WHICH SHALL INCLUDE STAGES OF CONSTRUCTION OF THE GAMING FACILITY AND THE DEADLINE BY WHICH THE STAGES AND OVERALL CONSTRUCTION AND ANY INFRASTRUCTURE IMPROVEMENTS WILL BE COMPLETED. IN AWARDED A LICENSE, THE COMMISSION SHALL DETERMINE AT WHAT STAGE OF CONSTRUCTION A LICENSEE SHALL BE APPROVED TO OPEN FOR GAMING; PROVIDED, HOWEVER, THAT A LICENSEE SHALL NOT BE APPROVED TO OPEN FOR GAMING UNTIL THE COMMISSION HAS DETERMINED THAT AT LEAST THE GAMING AREA AND OTHER ANCILLARY ENTERTAINMENT SERVICES AND NON-GAMING AMENITIES, AS REQUIRED BY THE BOARD, HAVE BEEN BUILT AND ARE OF A SUPERIOR QUALITY AS SET FORTH IN THE CONDITIONS OF LICENSURE. THE COMMISSION SHALL NOT APPROVE A GAMING FACILITY TO OPEN BEFORE THE COMPLETION OF THE PERMANENT CASINO AREA.

3. A LICENSEE WHO FAILS TO BEGIN GAMING OPERATIONS WITHIN TWENTY-FOUR MONTHS FOLLOWING LICENSE AWARD SHALL BE SUBJECT TO SUSPENSION OR REVOCATION OF THE GAMING LICENSE BY THE COMMISSION AND MAY, AFTER BEING FOUND

1 BY THE COMMISSION AFTER NOTICE AND OPPORTUNITY FOR A HEARING TO HAVE
2 ACTED IN BAD FAITH IN ITS APPLICATION, BE ASSESSED A FINE OF UP TO FIFTY
3 MILLION DOLLARS.

4 4. THE BOARD SHALL DETERMINE A LICENSING FEE TO BE PAID BY A LICENSEE
5 WITHIN THIRTY DAYS AFTER THE AWARD OF THE LICENSE WHICH SHALL BE DEPOS-
6 ITED INTO THE COMMERCIAL GAMING REVENUE FUND. THE LICENSE SHALL SET
7 FORTH THE CONDITIONS TO BE SATISFIED BY THE LICENSEE BEFORE THE GAMING
8 FACILITY SHALL BE OPENED TO THE PUBLIC. THE COMMISSION SHALL SET ANY
9 RENEWAL FEE FOR SUCH LICENSE BASED ON THE COST OF FEES ASSOCIATED WITH
10 THE EVALUATION OF A LICENSEE UNDER THIS ARTICLE WHICH SHALL BE DEPOSITED
11 INTO THE COMMERCIAL GAMING FUND. SUCH RENEWAL FEE SHALL BE EXCLUSIVE OF
12 ANY SUBSEQUENT LICENSING FEES UNDER THIS SECTION.

13 5. THE COMMISSION SHALL DETERMINE THE SOURCES AND TOTAL AMOUNT OF AN
14 APPLICANT'S PROPOSED CAPITALIZATION TO DEVELOP, CONSTRUCT, MAINTAIN AND
15 OPERATE A PROPOSED GAMING FACILITY UNDER THIS ARTICLE. UPON AWARD OF A
16 GAMING LICENSE, THE COMMISSION SHALL CONTINUE TO ASSESS THE CAPITALIZA-
17 TION OF A LICENSEE FOR THE DURATION OF CONSTRUCTION OF THE PROPOSED
18 GAMING FACILITY AND THE TERM OF THE LICENSE.

19 S 1316. MINIMUM LICENSE THRESHOLDS. NO APPLICANT SHALL BE ELIGIBLE TO
20 RECEIVE A GAMING LICENSE UNLESS THE APPLICANT MEETS THE FOLLOWING CRITE-
21 RIA AND CLEARLY STATES AS PART OF AN APPLICATION THAT THE APPLICANT
22 SHALL:

23 1. IN ACCORDANCE WITH THE DESIGN PLANS SUBMITTED WITH THE LICENSEE'S
24 APPLICATION TO THE BOARD, INVEST NOT LESS THAN THE REQUIRED CAPITAL
25 UNDER THIS ARTICLE INTO THE GAMING FACILITY;

26 2. OWN OR ACQUIRE, WITHIN SIXTY DAYS AFTER A LICENSE HAS BEEN AWARDED,
27 THE LAND WHERE THE GAMING FACILITY IS PROPOSED TO BE CONSTRUCTED;
28 PROVIDED, HOWEVER, THAT OWNERSHIP OF THE LAND SHALL INCLUDE A TENANCY
29 FOR A TERM OF YEARS UNDER A LEASE THAT EXTENDS NOT LESS THAN SIXTY YEARS
30 BEYOND THE TERM OF THE GAMING LICENSE ISSUED UNDER THIS ARTICLE;

31 3. MEET THE LICENSEE DEPOSIT REQUIREMENT;

32 4. DEMONSTRATE THAT IT IS ABLE TO PAY AND SHALL COMMIT TO PAYING THE
33 GAMING LICENSING FEE;

34 5. DEMONSTRATE TO THE COMMISSION HOW THE APPLICANT PROPOSES TO ADDRESS
35 PROBLEM GAMBLING CONCERNS, WORKFORCE DEVELOPMENT AND COMMUNITY DEVELOP-
36 MENT AND HOST AND NEARBY MUNICIPALITY IMPACT AND MITIGATION ISSUES;

37 6. IDENTIFY THE INFRASTRUCTURE COSTS OF THE HOST MUNICIPALITY INCURRED
38 IN DIRECT RELATION TO THE CONSTRUCTION AND OPERATION OF A GAMING FACILI-
39 TY AND COMMIT TO A COMMUNITY MITIGATION PLAN FOR THE HOST MUNICIPALITY;

40 7. IDENTIFY THE SERVICE COSTS OF THE HOST MUNICIPALITY INCURRED FOR
41 EMERGENCY SERVICES IN DIRECT RELATION TO THE OPERATION OF A GAMING
42 FACILITY AND COMMIT TO A COMMUNITY MITIGATION PLAN FOR THE HOST MUNICI-
43 PALITY;

44 8. PAY TO THE COMMISSION AN APPLICATION FEE OF ONE MILLION DOLLARS TO
45 DEFRAY THE COSTS ASSOCIATED WITH THE PROCESSING OF THE APPLICATION AND
46 INVESTIGATION OF THE APPLICANT; PROVIDED, HOWEVER, THAT IF THE COSTS OF
47 THE INVESTIGATION EXCEED THE INITIAL APPLICATION FEE, THE APPLICANT
48 SHALL PAY THE ADDITIONAL AMOUNT TO THE COMMISSION WITHIN THIRTY DAYS
49 AFTER NOTIFICATION OF INSUFFICIENT FEES OR THE APPLICATION SHALL BE
50 REJECTED AND FURTHER PROVIDED THAT SHOULD THE COSTS OF SUCH INVESTI-
51 GATION NOT EXCEED THE FEE REMITTED, ANY UNEXPENDED PORTION SHALL BE
52 RETURNED TO THE APPLICANT;

53 9. COMPLY WITH STATE BUILDING AND FIRE PREVENTION CODES;

54 10. FORMULATE FOR BOARD APPROVAL AND ABIDE BY AN AFFIRMATIVE ACTION
55 PROGRAM OF EQUAL OPPORTUNITY WHEREBY THE APPLICANT ESTABLISHES SPECIFIC

GOALS FOR THE UTILIZATION OF MINORITIES, WOMEN AND VETERANS ON CONSTRUCTION JOBS.

S 1317. INVESTIGATION OF LICENSE APPLICANTS. 1. UPON RECEIPT OF AN APPLICATION FOR A GAMING FACILITY LICENSE, THE COMMISSION SHALL CAUSE TO BE COMMENCED AN INVESTIGATION INTO THE SUITABILITY OF THE APPLICANT. IN EVALUATING THE SUITABILITY OF THE APPLICANT, THE COMMISSION SHALL CONSIDER THE OVERALL REPUTATION OF THE APPLICANT INCLUDING, WITHOUT LIMITATION:

(A) THE INTEGRITY, HONESTY, GOOD CHARACTER AND REPUTATION OF THE APPLICANT;

(B) THE FINANCIAL STABILITY, INTEGRITY AND BACKGROUND OF THE APPLICANT;

(C) THE BUSINESS PRACTICES AND THE BUSINESS ABILITY OF THE APPLICANT TO ESTABLISH AND MAINTAIN A SUCCESSFUL GAMING FACILITY;

(D) WHETHER THE APPLICANT HAS A HISTORY OF COMPLIANCE WITH GAMING LICENSING REQUIREMENTS IN OTHER JURISDICTIONS;

(E) WHETHER THE APPLICANT, AT THE TIME OF APPLICATION, IS A DEFENDANT IN LITIGATION INVOLVING ITS BUSINESS PRACTICES;

(F) THE SUITABILITY OF ALL PARTIES IN INTEREST TO THE GAMING FACILITY LICENSE, INCLUDING AFFILIATES AND CLOSE ASSOCIATES AND THE FINANCIAL RESOURCES OF THE APPLICANT; AND

(G) WHETHER THE APPLICANT IS DISQUALIFIED FROM RECEIVING A LICENSE UNDER THIS ARTICLE; PROVIDED, HOWEVER, THAT IN CONSIDERING THE REHABILITATION OF AN APPLICANT FOR A GAMING FACILITY LICENSE, THE COMMISSION SHALL NOT AUTOMATICALLY DISQUALIFY AN APPLICANT IF THE APPLICANT AFFIRMATIVELY DEMONSTRATES, BY CLEAR AND CONVINCING EVIDENCE, THAT THE APPLICANT HAS FINANCIAL RESPONSIBILITY, CHARACTER, REPUTATION, INTEGRITY AND GENERAL FITNESS AS SUCH TO WARRANT BELIEF BY THE COMMISSION THAT THE APPLICANT WILL ACT HONESTLY, FAIRLY, SOUNDLY AND EFFICIENTLY AS A GAMING LICENSEE.

2. IF THE INVESTIGATION REVEALS THAT AN APPLICANT HAS FAILED TO:

(A) ESTABLISH THE APPLICANT'S INTEGRITY OR THE INTEGRITY OF ANY AFFILIATE, CLOSE ASSOCIATE, FINANCIAL SOURCE OR ANY PERSON REQUIRED TO BE QUALIFIED BY THE COMMISSION;

(B) DEMONSTRATE RESPONSIBLE BUSINESS PRACTICES IN ANY JURISDICTION; OR

(C) OVERCOME ANY OTHER REASON, AS DETERMINED BY THE COMMISSION, AS TO WHY IT WOULD BE INJURIOUS TO THE INTERESTS OF THE STATE IN AWARDING THE APPLICANT A GAMING FACILITY LICENSE, THE COMMISSION SHALL DENY THE APPLICATION, SUBJECT TO NOTICE AND AN OPPORTUNITY FOR HEARING.

3. IF THE INVESTIGATION REVEALS THAT AN APPLICANT IS SUITABLE TO RECEIVE A GAMING FACILITY LICENSE, THE ENTITY SHALL RECOMMEND THAT THE COMMISSION COMMENCE A REVIEW OF THE APPLICANT'S ENTIRE APPLICATION.

S 1318. DISQUALIFYING CRITERIA. 1. THE COMMISSION SHALL DENY A LICENSE TO ANY APPLICANT WHO THE COMMISSION DETERMINES IS DISQUALIFIED ON THE BASIS OF ANY OF THE FOLLOWING CRITERIA, SUBJECT TO NOTICE AND AN OPPORTUNITY FOR HEARING:

(A) FAILURE OF THE APPLICANT TO PROVE BY CLEAR AND CONVINCING EVIDENCE THAT THE APPLICANT IS QUALIFIED IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE;

(B) FAILURE OF THE APPLICANT TO PROVIDE INFORMATION, DOCUMENTATION AND ASSURANCES REQUIRED BY THIS ARTICLE OR REQUESTED BY THE COMMISSION, OR FAILURE OF THE APPLICANT TO REVEAL ANY FACT MATERIAL TO QUALIFICATION, OR THE SUPPLYING OF INFORMATION WHICH IS UNTRUE OR MISLEADING AS TO A MATERIAL FACT PERTAINING TO THE QUALIFICATION CRITERIA;

(C) THE CONVICTION OF THE APPLICANT, OR OF ANY PERSON REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE, OF ANY OFFENSE

1 IN ANY JURISDICTION WHICH IS OR WOULD BE A FELONY OR OTHER CRIME INVOLV-
2 ING PUBLIC INTEGRITY, EMBEZZLEMENT, THEFT, FRAUD OR PERJURY;

3 (D) COMMITTED PRIOR ACTS WHICH HAVE NOT BEEN PROSECUTED OR IN WHICH
4 THE APPLICANT, OR OF ANY PERSON REQUIRED TO BE QUALIFIED UNDER THIS
5 ARTICLE AS A CONDITION OF A LICENSE, WAS NOT CONVICTED BUT FORM A
6 PATTERN OF MISCONDUCT THAT MAKES THE APPLICANT UNSUITABLE FOR A LICENSE
7 UNDER THIS ARTICLE; OR

8 (E) IF THE APPLICANT, OR OF ANY PERSON REQUIRED TO BE QUALIFIED UNDER
9 THIS ARTICLE AS A CONDITION OF A LICENSE, HAS AFFILIATES OR CLOSE ASSO-
10 CIATES THAT WOULD NOT QUALIFY FOR A LICENSE OR WHOSE RELATIONSHIP WITH
11 THE APPLICANT MAY POSE AN INJURIOUS THREAT TO THE INTERESTS OF THE STATE
12 IN AWARDING A GAMING FACILITY LICENSE TO THE APPLICANT;

13 (F) ANY OTHER OFFENSE UNDER PRESENT STATE OR FEDERAL LAW WHICH INDI-
14 CATES THAT LICENSURE OF THE APPLICANT WOULD BE INIMICAL TO THE POLICY OF
15 THIS ARTICLE; PROVIDED, HOWEVER, THAT THE DISQUALIFICATION PROVISIONS OF
16 THIS SECTION SHALL NOT APPLY WITH REGARD TO ANY MISDEMEANOR CONVICTION;

17 (G) CURRENT PROSECUTION OR PENDING CHARGES IN ANY JURISDICTION OF THE
18 APPLICANT OR OF ANY PERSON WHO IS REQUIRED TO BE QUALIFIED UNDER THIS
19 ARTICLE AS A CONDITION OF A LICENSE, FOR ANY OF THE OFFENSES ENUMERATED
20 IN PARAGRAPH (C) OF SUBDIVISION ONE OF THIS SECTION; PROVIDED, HOWEVER,
21 THAT AT THE REQUEST OF THE APPLICANT OR THE PERSON CHARGED, THE COMMIS-
22 SION MAY DEFER DECISION UPON SUCH APPLICATION DURING THE PENDENCY OF
23 SUCH CHARGE;

24 (H) THE PURSUIT BY THE APPLICANT OR ANY PERSON WHO IS REQUIRED TO BE
25 QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE OF ECONOMIC
26 GAIN IN AN OCCUPATIONAL MANNER OR CONTEXT WHICH IS IN VIOLATION OF THE
27 CRIMINAL OR CIVIL PUBLIC POLICIES OF THIS STATE, IF SUCH PURSUIT CREATES
28 A REASONABLE BELIEF THAT THE PARTICIPATION OF SUCH PERSON IN GAMING
29 FACILITY OPERATIONS WOULD BE INIMICAL TO THE POLICIES OF THIS ARTICLE.
30 FOR PURPOSES OF THIS SECTION, OCCUPATIONAL MANNER OR CONTEXT SHALL BE
31 DEFINED AS THE SYSTEMATIC PLANNING, ADMINISTRATION, MANAGEMENT, OR
32 EXECUTION OF AN ACTIVITY FOR FINANCIAL GAIN;

33 (I) THE IDENTIFICATION OF THE APPLICANT OR ANY PERSON WHO IS REQUIRED
34 TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE AS A
35 CAREER OFFENDER OR A MEMBER OF A CAREER OFFENDER CARTEL OR AN ASSOCIATE
36 OF A CAREER OFFENDER OR CAREER OFFENDER CARTEL IN SUCH A MANNER WHICH
37 CREATES A REASONABLE BELIEF THAT THE ASSOCIATION IS OF SUCH A NATURE AS
38 TO BE INIMICAL TO THE POLICY OF THIS ARTICLE. FOR PURPOSES OF THIS
39 SECTION, CAREER OFFENDER SHALL BE DEFINED AS ANY PERSON WHOSE BEHAVIOR
40 IS PURSUED IN AN OCCUPATIONAL MANNER OR CONTEXT FOR THE PURPOSE OF
41 ECONOMIC GAIN, UTILIZING SUCH METHODS AS ARE DEEMED CRIMINAL VIOLATIONS
42 OF THE PUBLIC POLICY OF THIS STATE. A CAREER OFFENDER CARTEL SHALL BE
43 DEFINED AS ANY GROUP OF PERSONS WHO OPERATE TOGETHER AS CAREER OFFEN-
44 DERS;

45 (J) THE COMMISSION BY THE APPLICANT OR ANY PERSON WHO IS REQUIRED TO
46 BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE OF ANY ACT
47 OR ACTS WHICH WOULD CONSTITUTE ANY OFFENSE UNDER PARAGRAPH (C) OF SUBDI-
48 VISION ONE OF THIS SECTION, EVEN IF SUCH CONDUCT HAS NOT BEEN OR MAY NOT
49 BE PROSECUTED UNDER THE CRIMINAL LAWS OF THIS STATE OR ANY OTHER JURIS-
50 DICTION;

51 (K) FLAGRANT DEFIANCE BY THE APPLICANT OR ANY PERSON WHO IS REQUIRED
52 TO BE QUALIFIED UNDER THIS ARTICLE OF ANY LEGISLATIVE INVESTIGATORY BODY
53 OR OTHER OFFICIAL INVESTIGATORY BODY OF ANY STATE OR OF THE UNITED
54 STATES WHEN SUCH BODY IS ENGAGED IN THE INVESTIGATION OF CRIMES RELATING
55 TO GAMING, OFFICIAL CORRUPTION, OR ORGANIZED CRIME ACTIVITY; AND

(L) FAILURE BY THE APPLICANT OR ANY PERSON REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE AS A CONDITION OF A LICENSE TO MAKE REQUIRED PAYMENTS IN ACCORDANCE WITH A CHILD SUPPORT ORDER, REPAY AN OVERPAYMENT FOR PUBLIC ASSISTANCE BENEFITS, OR REPAY ANY OTHER DEBT OWED TO THE STATE UNLESS SUCH APPLICANT PROVIDES PROOF TO THE EXECUTIVE DIRECTOR'S SATISFACTION OF PAYMENT OF OR ARRANGEMENT TO PAY ANY SUCH DEBTS PRIOR TO LICENSURE.

S 1319. HEARINGS. THE COMMISSION AND THE BOARD SHALL HAVE THE INDEPENDENT AUTHORITY TO CONDUCT HEARINGS CONCERNING THE CONDUCT OF GAMING AND APPLICANTS FOR GAMING FACILITY LICENSES IN ACCORDANCE WITH ANY PROCEDURES SET FORTH IN THIS ARTICLE AND ANY APPLICABLE IMPLEMENTING REGULATIONS.

S 1320. SITING EVALUATION. IN DETERMINING WHETHER AN APPLICANT SHALL BE ELIGIBLE FOR A GAMING FACILITY LICENSE, THE BOARD SHALL EVALUATE AND ISSUE A FINDING OF HOW EACH APPLICANT PROPOSES TO ADVANCE THE FOLLOWING OBJECTIVES.

1. THE DECISION BY THE BOARD TO SELECT A GAMING FACILITY LICENSE APPLICANT SHALL BE WEIGHTED BY SEVENTY PERCENT BASED ON ECONOMIC ACTIVITY AND BUSINESS DEVELOPMENT FACTORS INCLUDING:

(A) REALIZING MAXIMUM CAPITAL INVESTMENT EXCLUSIVE OF LAND ACQUISITION AND INFRASTRUCTURE IMPROVEMENTS;

(B) MAXIMIZING REVENUES RECEIVED BY THE STATE AND LOCALITIES;

(C) PROVIDING THE HIGHEST NUMBER OF QUALITY JOBS IN THE GAMING FACILITY;

(D) BUILDING A GAMING FACILITY OF THE HIGHEST CALIBER WITH A VARIETY OF QUALITY AMENITIES TO BE INCLUDED AS PART OF THE GAMING FACILITY;

(E) OFFERING THE HIGHEST AND BEST VALUE TO PATRONS TO CREATE A SECURE AND ROBUST GAMING MARKET IN THE REGION AND THE STATE;

(F) PROVIDING A MARKET ANALYSIS DETAILING THE BENEFITS OF THE SITE LOCATION OF THE GAMING FACILITY AND THE ESTIMATED RECAPTURE RATE OF GAMING-RELATED SPENDING BY RESIDENTS TRAVELLING TO AN OUT-OF-STATE GAMING FACILITY;

(G) OFFERING THE FASTEST TIME TO COMPLETION OF THE FULL GAMING FACILITY;

(H) DEMONSTRATING THE ABILITY TO FULLY FINANCE THE GAMING FACILITY; AND

(I) DEMONSTRATING EXPERIENCE IN THE DEVELOPMENT AND OPERATION OF A QUALITY GAMING FACILITY.

2. THE DECISION BY THE BOARD TO SELECT A GAMING FACILITY LICENSE APPLICANT SHALL BE WEIGHTED BY TWENTY PERCENT BASED ON LOCAL IMPACT AND SITING FACTORS INCLUDING:

(A) MITIGATING POTENTIAL IMPACTS ON HOST AND NEARBY MUNICIPALITIES WHICH MIGHT RESULT FROM THE DEVELOPMENT OR OPERATION OF THE GAMING FACILITY;

(B) GAINING PUBLIC SUPPORT IN THE HOST AND NEARBY MUNICIPALITIES WHICH MAY BE DEMONSTRATED THROUGH THE PASSAGE OF LOCAL LAWS OR PUBLIC COMMENT RECEIVED BY THE BOARD OR GAMING APPLICANT;

(C) OPERATING IN PARTNERSHIP WITH AND PROMOTING LOCAL HOTELS, RESTAURANTS AND RETAIL FACILITIES SO THAT PATRONS EXPERIENCE THE FULL DIVERSIFIED REGIONAL TOURISM INDUSTRY; AND

(D) ESTABLISHING A FAIR AND REASONABLE PARTNERSHIP WITH LIVE ENTERTAINMENT VENUES THAT MAY BE IMPACTED BY A GAMING FACILITY UNDER WHICH THE GAMING FACILITY ACTIVELY SUPPORTS THE MISSION AND THE OPERATION OF THE IMPACTED ENTERTAINMENT VENUES.

1 3. THE DECISION BY THE BOARD TO SELECT A GAMING FACILITY LICENSE
2 APPLICANT SHALL BE WEIGHTED BY TEN PERCENT BASED ON WORKFORCE ENHANCE-
3 MENT FACTORS INCLUDING:

4 (A) IMPLEMENTING A WORKFORCE DEVELOPMENT PLAN THAT UTILIZES THE EXIST-
5 ING LABOR FORCE, INCLUDING THE ESTIMATED NUMBER OF CONSTRUCTION JOBS A
6 PROPOSED GAMING FACILITY WILL GENERATE, THE DEVELOPMENT OF WORKFORCE
7 TRAINING PROGRAMS THAT SERVE THE UNEMPLOYED AND METHODS FOR ACCESSING
8 EMPLOYMENT AT THE GAMING FACILITY;

9 (B) TAKING ADDITIONAL MEASURES TO ADDRESS PROBLEM GAMBLING INCLUDING,
10 BUT NOT LIMITED TO, TRAINING OF GAMING EMPLOYEES TO IDENTIFY PATRONS
11 EXHIBITING PROBLEMS WITH GAMBLING;

12 (C) UTILIZING SUSTAINABLE DEVELOPMENT PRINCIPLES INCLUDING, BUT NOT
13 LIMITED TO:

14 (1) HAVING NEW AND RENOVATION CONSTRUCTION CERTIFIED UNDER THE APPRO-
15 PRIATE CERTIFICATION CATEGORY IN THE LEADERSHIP IN ENERGY AND ENVIRON-
16 MENTAL DESIGN GREEN BUILDING RATING SYSTEM CREATED BY THE UNITED STATES
17 GREEN BUILDING COUNCIL;

18 (2) EFFORTS TO MITIGATE VEHICLE TRIPS;

19 (3) EFFORTS TO CONSERVE WATER AND MANAGE STORM WATER;

20 (4) DEMONSTRATING THAT ELECTRICAL AND HVAC EQUIPMENT AND APPLIANCES
21 WILL BE ENERGY STAR LABELED WHERE AVAILABLE;

22 (5) PROCURING OR GENERATING ON-SITE TEN PERCENT OF ITS ANNUAL ELEC-
23 TRICITY CONSUMPTION FROM RENEWABLE SOURCES; AND

24 (6) DEVELOPING AN ONGOING PLAN TO SUBMETER AND MONITOR ALL MAJOR
25 SOURCES OF ENERGY CONSUMPTION AND UNDERTAKE REGULAR EFFORTS TO MAINTAIN
26 AND IMPROVE ENERGY EFFICIENCY OF BUILDINGS IN THEIR SYSTEMS;

27 (D) ESTABLISHING, FUNDING AND MAINTAINING HUMAN RESOURCE HIRING AND
28 TRAINING PRACTICES THAT PROMOTE THE DEVELOPMENT OF A SKILLED AND DIVERSE
29 WORKFORCE AND ACCESS TO PROMOTION OPPORTUNITIES THROUGH A WORKFORCE
30 TRAINING PROGRAM THAT:

31 (1) ESTABLISHES TRANSPARENT CAREER PATHS WITH MEASURABLE CRITERIA
32 WITHIN THE GAMING FACILITY THAT LEAD TO INCREASED RESPONSIBILITY AND
33 HIGHER PAY GRADES THAT ARE DESIGNED TO ALLOW EMPLOYEES TO PURSUE CAREER
34 ADVANCEMENT AND PROMOTION;

35 (2) PROVIDES EMPLOYEE ACCESS TO ADDITIONAL RESOURCES, SUCH AS TUITION
36 REIMBURSEMENT OR STIPEND POLICIES, TO ENABLE EMPLOYEES TO ACQUIRE THE
37 EDUCATION OR JOB TRAINING NEEDED TO ADVANCE CAREER PATHS BASED ON
38 INCREASED RESPONSIBILITY AND PAY GRADES; AND

39 (3) ESTABLISHES AN ON-SITE CHILD DAY CARE PROGRAM;

40 (E) PURCHASING, WHENEVER POSSIBLE, DOMESTICALLY MANUFACTURED SLOT
41 MACHINES FOR INSTALLATION IN THE GAMING FACILITY;

42 (F) IMPLEMENTING A WORKFORCE DEVELOPMENT PLAN THAT:

43 (1) INCORPORATES AN AFFIRMATIVE ACTION PROGRAM OF EQUAL OPPORTUNITY BY
44 WHICH THE APPLICANT GUARANTEES TO PROVIDE EQUAL EMPLOYMENT OPPORTUNITIES
45 TO ALL EMPLOYEES QUALIFIED FOR LICENSURE IN ALL EMPLOYMENT CATEGORIES,
46 INCLUDING PERSONS WITH DISABILITIES;

47 (2) UTILIZES THE EXISTING LABOR FORCE IN THE STATE;

48 (3) ESTIMATES THE NUMBER OF CONSTRUCTION JOBS A GAMING FACILITY WILL
49 GENERATE AND PROVIDES FOR EQUAL EMPLOYMENT OPPORTUNITIES AND WHICH
50 INCLUDES SPECIFIC GOALS FOR THE UTILIZATION OF MINORITIES, WOMEN AND
51 VETERANS ON THOSE CONSTRUCTION JOBS;

52 (4) IDENTIFIES WORKFORCE TRAINING PROGRAMS OFFERED BY THE GAMING
53 FACILITY; AND

54 (5) IDENTIFIES THE METHODS FOR ACCESSING EMPLOYMENT AT THE GAMING
55 FACILITY; AND

(G) DEMONSTRATING THAT THE APPLICANT HAS AN AGREEMENT WITH ORGANIZED LABOR, INCLUDING HOSPITALITY SERVICES, AND HAS THE SUPPORT OF ORGANIZED LABOR FOR ITS APPLICATION, WHICH SPECIFIES:

(1) THE NUMBER OF EMPLOYEES TO BE EMPLOYED AT THE GAMING FACILITY, INCLUDING DETAILED INFORMATION ON THE PAY RATE AND BENEFITS FOR EMPLOYEES AND CONTRACTORS IN THE GAMING FACILITY AND ALL INFRASTRUCTURE IMPROVEMENTS RELATED TO THE PROJECT; AND

(2) DETAILED PLANS FOR ASSURING LABOR HARMONY DURING ALL PHASES OF THE CONSTRUCTION, RECONSTRUCTION, RENOVATION, DEVELOPMENT AND OPERATION OF THE GAMING FACILITY.

S 1321. INTENTIONALLY OMITTED.

TITLE 3

OCCUPATIONAL LICENSING

SECTION 1322. GENERAL PROVISIONS.

1323. KEY EMPLOYEE LICENSES.

1324. GAMING EMPLOYEE REGISTRATION.

1325. APPROVAL, DENIAL AND RENEWAL OF EMPLOYEE LICENSES AND REGISTRATIONS.

S 1322. GENERAL PROVISIONS. 1. IT SHALL BE THE AFFIRMATIVE RESPONSIBILITY OF EACH APPLICANT OR LICENSEE TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE ITS INDIVIDUAL QUALIFICATIONS, AND FOR A GAMING FACILITY LICENSE THE QUALIFICATIONS OF EACH PERSON WHO IS REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE.

2. ANY APPLICANT, LICENSEE, REGISTRANT, OR ANY OTHER PERSON WHO MUST BE QUALIFIED PURSUANT TO THIS ARTICLE SHALL PROVIDE ALL LEGALLY REQUIRED INFORMATION AND SATISFY ALL LAWFUL REQUESTS FOR INFORMATION PERTAINING TO QUALIFICATION AND IN THE FORM SPECIFIED BY REGULATION. ALL APPLICANTS, REGISTRANTS, AND LICENSEES SHALL WAIVE LIABILITY AS TO THE STATE, AND ITS INSTRUMENTALITIES AND AGENTS, FOR ANY DAMAGES RESULTING FROM ANY DISCLOSURE OR PUBLICATION IN ANY MANNER, OTHER THAN A WILLFULLY UNLAWFUL DISCLOSURE OR PUBLICATION, OF ANY MATERIAL OR INFORMATION ACQUIRED DURING INQUIRIES, INVESTIGATIONS OR HEARINGS.

3. ALL APPLICANTS, LICENSEES, REGISTRANTS, INTERMEDIARY COMPANIES, AND HOLDING COMPANIES SHALL CONSENT TO INSPECTIONS, SEARCHES AND SEIZURES WHILE AT A GAMING FACILITY AND THE SUPPLYING OF HANDWRITING EXEMPLARS AS AUTHORIZED BY THIS ARTICLE AND REGULATIONS PROMULGATED HEREUNDER.

4. ALL APPLICANTS, LICENSEES, REGISTRANTS, AND ANY OTHER PERSON WHO SHALL BE QUALIFIED PURSUANT TO THIS ARTICLE SHALL HAVE THE CONTINUING DUTY TO PROVIDE ANY ASSISTANCE OR INFORMATION REQUIRED BY THE COMMISSION, AND TO COOPERATE IN ANY INQUIRY, INVESTIGATION OR HEARING CONDUCTED BY THE COMMISSION. IF, UPON ISSUANCE OF A FORMAL REQUEST TO ANSWER OR PRODUCE INFORMATION, EVIDENCE OR TESTIMONY, ANY APPLICANT, LICENSEE, REGISTRANT, OR ANY OTHER PERSON WHO SHALL BE QUALIFIED PURSUANT TO THIS ARTICLE REFUSES TO COMPLY, THE APPLICATION, LICENSE, REGISTRATION OR QUALIFICATION OF SUCH PERSON MAY BE DENIED OR REVOKED.

5. EACH APPLICANT OR PERSON WHO MUST BE QUALIFIED UNDER THIS ARTICLE SHALL BE PHOTOGRAPHED AND FINGERPRINTED FOR IDENTIFICATION AND INVESTIGATION PURPOSES IN ACCORDANCE WITH PROCEDURES SET FORTH BY REGULATION.

6. ALL LICENSEES, ALL REGISTRANTS, AND ALL OTHER PERSONS REQUIRED TO BE QUALIFIED UNDER THIS ARTICLE SHALL HAVE A DUTY TO INFORM THE COMMISSION OF ANY ACTION WHICH THEY BELIEVE WOULD CONSTITUTE A VIOLATION OF THIS ARTICLE. NO PERSON WHO SO INFORMS THE COMMISSION SHALL BE DISCRIMINATED AGAINST BY AN APPLICANT, LICENSEE OR REGISTRANT BECAUSE OF THE SUPPLYING OF SUCH INFORMATION.

S 1323. KEY EMPLOYEE LICENSES. 1. NO LICENSEE OR A HOLDING OR INTERMEDIARY COMPANY OF A LICENSEE MAY EMPLOY ANY PERSON AS A CASINO KEY

1 EMPLOYEE UNLESS THE PERSON IS THE HOLDER OF A VALID CASINO KEY EMPLOYEE
2 LICENSE ISSUED BY THE COMMISSION.

3 2. EACH APPLICANT FOR A CASINO KEY EMPLOYEE LICENSE MUST, PRIOR TO THE
4 ISSUANCE OF ANY CASINO KEY EMPLOYEE LICENSE, PRODUCE INFORMATION,
5 DOCUMENTATION AND ASSURANCES CONCERNING THE FOLLOWING QUALIFICATION
6 CRITERIA:

7 (A) EACH APPLICANT FOR A CASINO KEY EMPLOYEE LICENSE SHALL PRODUCE
8 SUCH INFORMATION, DOCUMENTATION AND ASSURANCES AS MAY BE LAWFULLY
9 REQUIRED TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE FINANCIAL
10 STABILITY, INTEGRITY AND RESPONSIBILITY OF THE APPLICANT, INCLUDING BUT
11 NOT LIMITED TO BANK REFERENCES, BUSINESS AND PERSONAL INCOME AND
12 DISBURSEMENTS SCHEDULES, TAX RETURNS AND OTHER REPORTS FILED WITH
13 GOVERNMENTAL AGENCIES, AND BUSINESS AND PERSONAL ACCOUNTING AND CHECK
14 RECORDS AND LEDGERS. IN ADDITION, EACH APPLICANT SHALL, IN WRITING,
15 AUTHORIZE THE EXAMINATION OF ALL BANK ACCOUNTS AND RECORDS AS MAY BE
16 DEEMED NECESSARY BY THE COMMISSION.

17 (B) EACH APPLICANT FOR A CASINO KEY EMPLOYEE LICENSE SHALL PRODUCE
18 SUCH INFORMATION, DOCUMENTATION AND ASSURANCES AS MAY BE REQUIRED TO
19 ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE APPLICANT'S GOOD CHARAC-
20 TER, HONESTY AND INTEGRITY. SUCH INFORMATION SHALL INCLUDE DATA PERTAIN-
21 ING TO FAMILY, HABITS, CHARACTER, REPUTATION, CRIMINAL HISTORY INFORMA-
22 TION, BUSINESS ACTIVITIES, FINANCIAL AFFAIRS, AND BUSINESS, PROFESSIONAL
23 AND PERSONAL ASSOCIATES, COVERING AT LEAST THE TEN YEAR PERIOD IMME-
24 DIATELY PRECEDING THE FILING OF THE APPLICATION. EACH APPLICANT SHALL
25 NOTIFY THE COMMISSION OF ANY CIVIL JUDGMENTS OBTAINED AGAINST SUCH
26 APPLICANT PERTAINING TO ANTITRUST OR SECURITY REGULATION LAWS OF THE
27 FEDERAL GOVERNMENT, OF THIS STATE OR OF ANY OTHER STATE, JURISDICTION,
28 PROVINCE OR COUNTRY. IN ADDITION, EACH APPLICANT SHALL, UPON REQUEST OF
29 THE COMMISSION, PRODUCE LETTERS OF REFERENCE FROM LAW ENFORCEMENT AGEN-
30 CIES HAVING JURISDICTION IN THE APPLICANT'S PLACE OF RESIDENCE AND PRIN-
31 CIPAL PLACE OF BUSINESS, WHICH LETTERS OF REFERENCE SHALL INDICATE THAT
32 SUCH LAW ENFORCEMENT AGENCIES DO NOT HAVE ANY PERTINENT NON-SEALED
33 INFORMATION CONCERNING THE APPLICANT, OR IF SUCH LAW ENFORCEMENT AGENCY
34 DOES HAVE SUCH INFORMATION PERTAINING TO THE APPLICANT, SHALL SPECIFY
35 WHAT THAT INFORMATION IS. IF THE APPLICANT HAS BEEN ASSOCIATED WITH
36 GAMING OPERATIONS IN ANY CAPACITY, POSITION OR EMPLOYMENT IN A JURISDIC-
37 TION WHICH PERMITS SUCH ACTIVITY, THE APPLICANT SHALL, UPON REQUEST OF
38 THE COMMISSION, PRODUCE LETTERS OF REFERENCE FROM THE GAMING ENFORCEMENT
39 OR CONTROL AGENCY, WHICH SHALL SPECIFY THE EXPERIENCE OF SUCH AGENCY
40 WITH THE APPLICANT, HIS OR HER ASSOCIATES AND HIS OR HER PARTICIPATION
41 IN THE GAMING OPERATIONS OF THAT JURISDICTION; PROVIDED, HOWEVER, THAT
42 IF NO SUCH LETTERS ARE RECEIVED FROM THE APPROPRIATE LAW ENFORCEMENT
43 AGENCIES WITHIN SIXTY DAYS OF THE APPLICANT'S REQUEST THEREFOR, THE
44 APPLICANT MAY SUBMIT A STATEMENT UNDER OATH THAT HE OR SHE IS OR WAS
45 DURING THE PERIOD SUCH ACTIVITIES WERE CONDUCTED IN GOOD STANDING WITH
46 SUCH GAMING ENFORCEMENT OR CONTROL AGENCY.

47 (C) EACH APPLICANT EMPLOYED BY A GAMING FACILITY LICENSEE SHALL BE A
48 RESIDENT OF THE STATE PRIOR TO THE ISSUANCE OF A CASINO KEY EMPLOYEE
49 LICENSE; PROVIDED, HOWEVER, THAT UPON PETITION BY THE HOLDER OF A
50 LICENSE, THE COMMISSION MAY WAIVE THIS RESIDENCY REQUIREMENT FOR ANY
51 APPLICANT WHOSE PARTICULAR POSITION WILL REQUIRE HIM TO BE EMPLOYED
52 OUTSIDE THE STATE; AND PROVIDED FURTHER THAT NO APPLICANT EMPLOYED BY A
53 HOLDING OR INTERMEDIARY COMPANY OF A LICENSEE SHALL BE REQUIRED TO
54 ESTABLISH RESIDENCY IN THIS STATE.

55 (D) FOR THE PURPOSES OF THIS SECTION, EACH APPLICANT SHALL SUBMIT TO
56 THE COMMISSION THE APPLICANT'S NAME, ADDRESS, FINGERPRINTS AND WRITTEN

1 CONSENT FOR A CRIMINAL HISTORY INFORMATION AS DEFINED IN PARAGRAPH (C)
2 OF SUBDIVISION ONE OF SECTION EIGHT HUNDRED FORTY-FIVE-B OF THE EXECU-
3 TIVE LAW, TO BE PERFORMED. THE COMMISSION IS HEREBY AUTHORIZED TO
4 EXCHANGE FINGERPRINT DATA WITH AND RECEIVE CRIMINAL HISTORY RECORD
5 INFORMATION FROM THE STATE DIVISION OF CRIMINAL JUSTICE SERVICES AND THE
6 FEDERAL BUREAU OF INVESTIGATION CONSISTENT WITH APPLICABLE STATE AND
7 FEDERAL LAWS, RULES AND REGULATIONS. THE APPLICANT SHALL PAY THE FEE FOR
8 SUCH CRIMINAL HISTORY INFORMATION AS ESTABLISHED PURSUANT TO ARTICLE
9 THIRTY-FIVE OF THE EXECUTIVE LAW. THE STATE DIVISION OF CRIMINAL
10 JUSTICE SERVICES SHALL PROMPTLY NOTIFY THE COMMISSION IN THE EVENT A
11 CURRENT OR PROSPECTIVE LICENSEE, WHO WAS THE SUBJECT OF SUCH CRIMINAL
12 HISTORY INFORMATION PURSUANT TO THIS SECTION, IS ARRESTED FOR A CRIME OR
13 OFFENSE IN THIS STATE AFTER THE DATE THE CHECK WAS PERFORMED.

14 3. THE COMMISSION SHALL DENY A CASINO KEY EMPLOYEE LICENSE TO ANY
15 APPLICANT WHO IS DISQUALIFIED ON THE BASIS OF THE CRITERIA CONTAINED IN
16 SECTION ONE THOUSAND THREE HUNDRED EIGHTEEN OF THIS TITLE, SUBJECT TO
17 NOTICE AND HEARING.

18 4. UPON RECEIPT OF SUCH CRIMINAL HISTORY INFORMATION, THE COMMISSION
19 SHALL PROVIDE SUCH APPLICANT WITH A COPY OF SUCH CRIMINAL HISTORY INFOR-
20 MATION, TOGETHER WITH A COPY OF ARTICLE TWENTY-THREE-A OF THE CORRECTION
21 LAW, AND INFORM SUCH APPLICANT OF HIS OR HER RIGHT TO SEEK CORRECTION OF
22 ANY INCORRECT INFORMATION CONTAINED IN SUCH CRIMINAL HISTORY INFORMATION
23 PURSUANT TO REGULATIONS AND PROCEDURES ESTABLISHED BY THE DIVISION OF
24 CRIMINAL JUSTICE SERVICES. EXCEPT AS OTHERWISE PROVIDED BY LAW, SUCH
25 CRIMINAL HISTORY INFORMATION SHALL BE CONFIDENTIAL AND ANY PERSON WHO
26 WILLFULLY PERMITS THE RELEASE OF SUCH CONFIDENTIAL CRIMINAL HISTORY
27 INFORMATION TO PERSONS NOT PERMITTED TO RECEIVE SUCH INFORMATION SHALL
28 BE GUILTY OF A MISDEMEANOR.

29 5. UPON PETITION BY THE HOLDER OF A LICENSE, THE COMMISSION MAY ISSUE
30 A TEMPORARY LICENSE TO AN APPLICANT FOR A CASINO KEY EMPLOYEE LICENSE,
31 PROVIDED THAT:

32 (A) THE APPLICANT FOR THE CASINO KEY EMPLOYEE LICENSE HAS FILED A
33 COMPLETED APPLICATION AS REQUIRED BY THE COMMISSION;

34 (B) THE PETITION FOR A TEMPORARY CASINO KEY EMPLOYEE LICENSE CERTI-
35 FIES, AND THE COMMISSION FINDS, THAT AN EXISTING CASINO KEY EMPLOYEE
36 POSITION OF THE PETITIONER IS VACANT OR WILL BECOME VACANT WITHIN SIXTY
37 DAYS OF THE DATE OF THE PETITION AND THAT THE ISSUANCE OF A TEMPORARY
38 KEY EMPLOYEE LICENSE IS NECESSARY TO FILL THE SAID VACANCY ON AN EMER-
39 GENCY BASIS TO CONTINUE THE EFFICIENT OPERATION OF THE CASINO, AND THAT
40 SUCH CIRCUMSTANCES ARE EXTRAORDINARY AND NOT DESIGNED TO CIRCUMVENT THE
41 NORMAL LICENSING PROCEDURES OF THIS ARTICLE;

42 6. UNLESS OTHERWISE TERMINATED PURSUANT TO THIS ARTICLE, ANY TEMPORARY
43 CASINO KEY EMPLOYEE LICENSE ISSUED PURSUANT TO THIS SECTION SHALL EXPIRE
44 NINE MONTHS FROM THE DATE OF ITS ISSUANCE.

45 S 1324. GAMING EMPLOYEE REGISTRATION. 1. NO PERSON MAY COMMENCE
46 EMPLOYMENT AS A GAMING EMPLOYEE UNLESS SUCH PERSON HAS A VALID REGISTRA-
47 TION ON FILE WITH THE COMMISSION, WHICH REGISTRATION SHALL BE PREPARED
48 AND FILED IN ACCORDANCE WITH THE REGULATIONS PROMULGATED HEREUNDER.

49 2. A GAMING EMPLOYEE REGISTRANT SHALL PRODUCE SUCH INFORMATION AS THE
50 COMMISSION BY REGULATION MAY REQUIRE. SUBSEQUENT TO THE REGISTRATION OF
51 A GAMING EMPLOYEE, THE EXECUTIVE DIRECTOR MAY REVOKE, SUSPEND, LIMIT, OR
52 OTHERWISE RESTRICT THE REGISTRATION UPON A FINDING THAT THE REGISTRANT
53 IS DISQUALIFIED ON THE BASIS OF THE CRITERIA CONTAINED IN SECTION ONE
54 THOUSAND THREE HUNDRED EIGHTEEN OF THIS TITLE. IF A GAMING EMPLOYEE
55 REGISTRANT HAS NOT BEEN EMPLOYED IN ANY POSITION WITHIN A GAMING FACILI-

TY FOR A PERIOD OF THREE YEARS, THE REGISTRATION OF THAT GAMING EMPLOYEE SHALL LAPSE.

3. NO GAMING EMPLOYEE REGISTRATION SHALL BE DENIED OR REVOKED ON THE BASIS OF A MISDEMEANOR CONVICTION OF ANY OF THE OFFENSES ENUMERATED IN THIS ARTICLE AS DISQUALIFICATION CRITERIA OR THE COMMISSION OF ANY ACT OR ACTS WHICH WOULD CONSTITUTE ANY OFFENSE UNDER SECTION ONE THOUSAND THREE HUNDRED EIGHTEEN OF THIS TITLE, PROVIDED THAT THE REGISTRANT HAS AFFIRMATIVELY DEMONSTRATED THE REGISTRANT'S REHABILITATION, PURSUANT TO ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW.

4. FOR THE PURPOSES OF THIS SECTION, EACH REGISTRANT SHALL SUBMIT TO THE COMMISSION THE REGISTRANT'S NAME, ADDRESS, FINGERPRINTS AND WRITTEN CONSENT FOR A CRIMINAL HISTORY INFORMATION TO BE PERFORMED. THE COMMISSION IS HEREBY AUTHORIZED TO EXCHANGE FINGERPRINT DATA WITH AND RECEIVE CRIMINAL HISTORY INFORMATION AS DEFINED IN PARAGRAPH (C) OF SUBDIVISION ONE OF SECTION EIGHT HUNDRED FORTY-FIVE-B OF THE EXECUTIVE LAW FROM THE STATE DIVISION OF CRIMINAL JUSTICE SERVICES AND THE FEDERAL BUREAU OF INVESTIGATION CONSISTENT WITH APPLICABLE STATE AND FEDERAL LAWS, RULES AND REGULATIONS. THE REGISTRANT SHALL PAY THE FEE FOR SUCH CRIMINAL HISTORY INFORMATION AS ESTABLISHED PURSUANT TO ARTICLE THIRTY-FIVE OF THE EXECUTIVE LAW. THE STATE DIVISION OF CRIMINAL JUSTICE SERVICES SHALL PROMPTLY NOTIFY THE COMMISSION IN THE EVENT A CURRENT OR PROSPECTIVE LICENSEE, WHO WAS THE SUBJECT OF A CRIMINAL HISTORY INFORMATION PURSUANT TO THIS SECTION, IS ARRESTED FOR A CRIME OR OFFENSE IN THIS STATE AFTER THE DATE THE CHECK WAS PERFORMED.

5. UPON RECEIPT OF SUCH CRIMINAL HISTORY INFORMATION, THE COMMISSION SHALL PROVIDE SUCH APPLICANT WITH A COPY OF SUCH CRIMINAL HISTORY INFORMATION, TOGETHER WITH A COPY OF ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW, AND INFORM SUCH APPLICANT OF HIS OR HER RIGHT TO SEEK CORRECTION OF ANY INCORRECT INFORMATION CONTAINED IN SUCH CRIMINAL HISTORY INFORMATION PURSUANT TO REGULATIONS AND PROCEDURES ESTABLISHED BY THE DIVISION OF CRIMINAL JUSTICE SERVICES. EXCEPT AS OTHERWISE PROVIDED BY LAW, SUCH CRIMINAL HISTORY INFORMATION SHALL BE CONFIDENTIAL AND ANY PERSON WHO WILLFULLY PERMITS THE RELEASE OF SUCH CONFIDENTIAL CRIMINAL HISTORY INFORMATION TO PERSONS NOT PERMITTED TO RECEIVE SUCH INFORMATION SHALL BE GUILTY OF A MISDEMEANOR.

S 1325. APPROVAL, DENIAL AND RENEWAL OF EMPLOYEE LICENSES AND REGISTRATIONS. 1. UPON THE FILING OF AN APPLICATION FOR A CASINO KEY EMPLOYEE LICENSE OR GAMING EMPLOYEE REGISTRATION REQUIRED BY THIS ARTICLE AND AFTER SUBMISSION OF SUCH SUPPLEMENTAL INFORMATION AS THE COMMISSION MAY REQUIRE, THE COMMISSION SHALL CONDUCT OR CAUSE TO BE CONDUCTED SUCH INVESTIGATION INTO THE QUALIFICATION OF THE APPLICANT, AND THE COMMISSION SHALL CONDUCT SUCH HEARINGS CONCERNING THE QUALIFICATION OF THE APPLICANT, IN ACCORDANCE WITH ITS REGULATIONS, AS MAY BE NECESSARY TO DETERMINE QUALIFICATION FOR SUCH LICENSE.

2. AFTER SUCH INVESTIGATION, THE COMMISSION MAY EITHER DENY THE APPLICATION OR GRANT A LICENSE TO AN APPLICANT WHOM IT DETERMINES TO BE QUALIFIED TO HOLD SUCH LICENSE.

3. THE COMMISSION SHALL HAVE THE AUTHORITY TO DENY ANY APPLICATION PURSUANT TO THE PROVISIONS OF THIS ARTICLE FOLLOWING NOTICE AND OPPORTUNITY FOR HEARING.

4. WHEN THE COMMISSION GRANTS AN APPLICATION, THE COMMISSION MAY LIMIT OR PLACE SUCH RESTRICTIONS THEREUPON AS IT MAY DEEM NECESSARY IN THE PUBLIC INTEREST.

5. AFTER AN APPLICATION FOR A CASINO KEY EMPLOYEE LICENSE IS SUBMITTED, FINAL ACTION OF THE COMMISSION SHALL BE TAKEN WITHIN NINETY DAYS

1 AFTER COMPLETION OF ALL HEARINGS AND INVESTIGATIONS AND THE RECEIPT OF
2 ALL INFORMATION REQUIRED BY THE COMMISSION.

3 6. LICENSES AND REGISTRATIONS OF CASINO KEY EMPLOYEES AND GAMING
4 EMPLOYEES ISSUED PURSUANT TO THIS ARTICLE SHALL REMAIN VALID FOR FIVE
5 YEARS UNLESS SUSPENDED, REVOKED OR VOIDED PURSUANT TO LAW. SUCH LICENSES
6 AND REGISTRATIONS MAY BE RENEWED BY THE HOLDER THEREOF UPON APPLICATION,
7 ON A FORM PRESCRIBED BY THE COMMISSION, AND PAYMENT OF THE APPLICABLE
8 FEE. NOTWITHSTANDING THE FORGOING, IF A GAMING EMPLOYEE REGISTRANT HAS
9 NOT BEEN EMPLOYED IN ANY POSITION WITHIN A GAMING FACILITY FOR A PERIOD
10 OF THREE YEARS, THE REGISTRATION OF THAT GAMING EMPLOYEE SHALL LAPSE.

11 8. THE COMMISSION SHALL ESTABLISH BY REGULATION APPROPRIATE FEES TO BE
12 PAID UPON THE FILING OF THE REQUIRED APPLICATIONS. SUCH FEES SHALL BE
13 DEPOSITED INTO THE COMMERCIAL GAMING REVENUE FUND.

14 TITLE 4

15 ENTERPRISE AND VENDOR LICENSING AND REGISTRATION
16 SECTION 1326. LICENSING OF VENDOR ENTERPRISES.

17 1327. DURATION AND RENEWAL OF VENDOR REGISTRATION.

18 1328. JUNKET OPERATOR LICENSING.

19 1329. LOBBYIST REGISTRATION.

20 1330. REGISTRATION OF LABOR ORGANIZATIONS.

21 1330-A. CASINO GAMING EXPENDITURES.

22 S 1326. LICENSING OF VENDOR ENTERPRISES. 1. ANY BUSINESS TO BE
23 CONDUCTED WITH A GAMING FACILITY APPLICANT OR LICENSEE BY A VENDOR
24 OFFERING GOODS OR SERVICES WHICH DIRECTLY RELATE TO GAMING ACTIVITY,
25 INCLUDING GAMING EQUIPMENT MANUFACTURERS, SUPPLIERS, REPAIRERS, AND
26 INDEPENDENT TESTING LABORATORIES, SHALL BE LICENSED AS A CASINO VENDOR
27 ENTERPRISE IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE PRIOR TO
28 CONDUCTING ANY BUSINESS WHATSOEVER WITH A GAMING FACILITY APPLICANT OR
29 LICENSEE, ITS EMPLOYEES OR AGENTS; PROVIDED, HOWEVER, THAT UPON A SHOW-
30 ING OF GOOD CAUSE BY A GAMING FACILITY APPLICANT OR LICENSEE, THE EXECU-
31 TIVE DIRECTOR MAY PERMIT AN APPLICANT FOR A CASINO VENDOR ENTERPRISE
32 LICENSE TO CONDUCT BUSINESS TRANSACTIONS WITH SUCH GAMING FACILITY
33 APPLICANT OR LICENSEE PRIOR TO THE LICENSURE OF THAT CASINO VENDOR
34 ENTERPRISE APPLICANT UNDER THIS SUBDIVISION FOR SUCH PERIODS AS THE
35 COMMISSION MAY ESTABLISH BY REGULATION.

36 2. IN ADDITION TO THE REQUIREMENTS OF SUBDIVISION ONE OF THIS SECTION,
37 ANY CASINO VENDOR ENTERPRISE INTENDING TO MANUFACTURE, SELL, DISTRIBUTE,
38 TEST OR REPAIR SLOT MACHINES WITHIN THE STATE SHALL BE LICENSED IN
39 ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE PRIOR TO ENGAGING IN ANY
40 SUCH ACTIVITIES; PROVIDED, HOWEVER, THAT UPON A SHOWING OF GOOD CAUSE BY
41 A GAMING FACILITY APPLICANT OR LICENSEE, THE EXECUTIVE DIRECTOR MAY
42 PERMIT AN APPLICANT FOR A CASINO VENDOR ENTERPRISE LICENSE TO CONDUCT
43 BUSINESS TRANSACTIONS WITH THE GAMING FACILITY APPLICANT OR LICENSEE
44 PRIOR TO THE LICENSURE OF THAT CASINO VENDOR ENTERPRISE APPLICANT UNDER
45 THIS SUBDIVISION FOR SUCH PERIODS AS THE COMMISSION MAY ESTABLISH BY
46 REGULATION; AND PROVIDED FURTHER, HOWEVER, THAT UPON A SHOWING OF GOOD
47 CAUSE BY AN APPLICANT REQUIRED TO BE LICENSED AS A CASINO VENDOR ENTER-
48 PRISE PURSUANT TO THIS SUBDIVISION, THE EXECUTIVE DIRECTOR MAY PERMIT
49 THE CASINO VENDOR ENTERPRISE APPLICANT TO INITIATE THE MANUFACTURE OF
50 SLOT MACHINES OR ENGAGE IN THE SALE, DISTRIBUTION, TESTING OR REPAIR OF
51 SLOT MACHINES WITH ANY PERSON OTHER THAN A GAMING FACILITY APPLICANT OR
52 LICENSEE, ITS EMPLOYEES OR AGENTS, PRIOR TO THE LICENSURE OF THAT CASINO
53 VENDOR ENTERPRISE APPLICANT UNDER THIS SUBDIVISION.

54 3. VENDORS PROVIDING GOODS AND SERVICES TO GAMING FACILITY LICENSEES
55 OR APPLICANTS ANCILLARY TO GAMING SHALL BE REQUIRED TO BE LICENSED AS AN

1 ANCILLARY CASINO VENDOR ENTERPRISE AND SHALL COMPLY WITH THE STANDARDS
2 FOR CASINO VENDOR LICENSE APPLICANTS.

3 4. EACH CASINO VENDOR ENTERPRISE REQUIRED TO BE LICENSED PURSUANT TO
4 SUBDIVISION ONE OF THIS SECTION, AS WELL AS ITS OWNERS; MANAGEMENT AND
5 SUPERVISORY PERSONNEL; AND EMPLOYEES IF SUCH EMPLOYEES HAVE RESPONSIBIL-
6 ITY FOR SERVICES TO A GAMING FACILITY APPLICANT OR LICENSEE, MUST QUALI-
7 FY UNDER THE STANDARDS, EXCEPT RESIDENCY, ESTABLISHED FOR QUALIFICATION
8 OF A CASINO KEY EMPLOYEE UNDER THIS ARTICLE.

9 5. ANY VENDOR THAT OFFERS GOODS OR SERVICES TO A GAMING FACILITY
10 APPLICANT OR LICENSEE THAT IS NOT INCLUDED IN SUBDIVISION ONE OR TWO OF
11 THIS SECTION INCLUDING, BUT NOT LIMITED TO SITE CONTRACTORS AND SUBCON-
12 TRACTORS, SHOPKEEPERS LOCATED WITHIN THE FACILITY, GAMING SCHOOLS THAT
13 POSSESS SLOT MACHINES FOR THE PURPOSE OF INSTRUCTION, AND ANY NON-SUPER-
14 VISORY EMPLOYEE OF A JUNKET ENTERPRISE LICENSED UNDER SUBDIVISION THREE
15 OF THIS SECTION, SHALL BE REQUIRED TO REGISTER WITH THE COMMISSION IN
16 ACCORDANCE WITH THE REGULATIONS PROMULGATED UNDER THIS ARTICLE.

17 NOTWITHSTANDING THE PROVISIONS AFOREMENTIONED, THE EXECUTIVE DIRECTOR
18 MAY, CONSISTENT WITH THE PUBLIC INTEREST AND THE POLICIES OF THIS ARTI-
19 CLE, DIRECT THAT INDIVIDUAL VENDORS REGISTERED PURSUANT TO THIS SUBDIVI-
20 SION BE REQUIRED TO APPLY FOR EITHER A CASINO VENDOR ENTERPRISE LICENSE
21 PURSUANT TO SUBDIVISION ONE OF THIS SECTION, OR AN ANCILLARY VENDOR
22 INDUSTRY ENTERPRISE LICENSE PURSUANT TO SUBDIVISION THREE OF THIS
23 SECTION, AS DIRECTED BY THE COMMISSION. THE EXECUTIVE DIRECTOR MAY ALSO
24 ORDER THAT ANY ENTERPRISE LICENSED AS OR REQUIRED TO BE LICENSED AS AN
25 ANCILLARY CASINO VENDOR ENTERPRISE PURSUANT TO SUBDIVISION THREE OF THIS
26 SECTION BE REQUIRED TO APPLY FOR A CASINO VENDOR ENTERPRISE LICENSE
27 PURSUANT TO SUBDIVISION ONE OF THIS SECTION. THE EXECUTIVE DIRECTOR MAY
28 ALSO, IN HIS OR HER DISCRETION, ORDER THAT AN INDEPENDENT SOFTWARE
29 CONTRACTOR NOT OTHERWISE REQUIRED TO BE REGISTERED BE EITHER REGISTERED
30 AS A VENDOR PURSUANT TO THIS SUBDIVISION OR BE LICENSED PURSUANT TO
31 EITHER SUBDIVISION ONE OR THREE OF THIS SECTION.

32 EACH ANCILLARY CASINO VENDOR ENTERPRISE REQUIRED TO BE LICENSED PURSU-
33 ANT TO SUBDIVISION THREE OF THIS SECTION, AS WELL AS ITS OWNERS, MANAGE-
34 MENT AND SUPERVISORY PERSONNEL, AND EMPLOYEES IF SUCH EMPLOYEES HAVE
35 RESPONSIBILITY FOR SERVICES TO A GAMING FACILITY APPLICANT OR LICENSEE,
36 SHALL ESTABLISH THEIR GOOD CHARACTER, HONESTY AND INTEGRITY BY CLEAR AND
37 CONVINCING EVIDENCE AND SHALL PROVIDE SUCH FINANCIAL INFORMATION AS MAY
38 BE REQUIRED BY THE COMMISSION. ANY ENTERPRISE REQUIRED TO BE LICENSED
39 AS AN ANCILLARY CASINO VENDOR ENTERPRISE PURSUANT TO THIS SECTION SHALL
40 BE PERMITTED TO TRANSACT BUSINESS WITH A GAMING FACILITY LICENSEE UPON
41 FILING OF THE APPROPRIATE VENDOR REGISTRATION FORM AND APPLICATION FOR
42 SUCH LICENSURE.

43 6. ANY APPLICANT, LICENSEE OR QUALIFIER OF A CASINO VENDOR ENTERPRISE
44 LICENSE OR OF AN ANCILLARY CASINO VENDOR ENTERPRISE LICENSE UNDER SUBDI-
45 VISION ONE OF THIS SECTION, AND ANY VENDOR REGISTRANT UNDER SUBDIVISION
46 FIVE OF THIS SECTION SHALL BE DISQUALIFIED IN ACCORDANCE WITH THE CRITE-
47 RIA CONTAINED IN SECTION ONE THOUSAND THREE HUNDRED EIGHTEEN OF THIS
48 ARTICLE, EXCEPT THAT NO SUCH ANCILLARY CASINO VENDOR ENTERPRISE LICENSE
49 UNDER SUBDIVISION THREE OF THIS SECTION OR VENDOR REGISTRATION UNDER
50 SUBDIVISION FIVE OF THIS SECTION SHALL BE DENIED OR REVOKED IF SUCH
51 VENDOR REGISTRANT CAN AFFIRMATIVELY DEMONSTRATE REHABILITATION PURSUANT
52 TO ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW.

53 7. NO CASINO VENDOR ENTERPRISE LICENSE OR ANCILLARY CASINO VENDOR
54 ENTERPRISE LICENSE SHALL BE ISSUED PURSUANT TO SUBDIVISION ONE OF THIS
55 SECTION TO ANY PERSON UNLESS THAT PERSON SHALL PROVIDE PROOF OF VALID
56 BUSINESS REGISTRATION WITH THE DEPARTMENT OF STATE.

1 8. FOR THE PURPOSES OF THIS SECTION, EACH APPLICANT SHALL SUBMIT TO
2 THE COMMISSION THE NAME, ADDRESS, FINGERPRINTS AND A WRITTEN CONSENT FOR
3 A CRIMINAL HISTORY INFORMATION TO BE PERFORMED, FOR EACH PERSON REQUIRED
4 TO QUALIFY AS PART OF THE APPLICATION. THE COMMISSION IS HEREBY AUTHOR-
5 IZED TO EXCHANGE FINGERPRINT DATA WITH AND RECEIVE CRIMINAL HISTORY
6 RECORD INFORMATION FROM THE STATE DIVISION OF CRIMINAL JUSTICE SERVICES
7 AND THE FEDERAL BUREAU OF INVESTIGATION CONSISTENT WITH APPLICABLE STATE
8 AND FEDERAL LAWS, RULES AND REGULATIONS. THE APPLICANT SHALL PAY THE FEE
9 FOR SUCH CRIMINAL HISTORY INFORMATION AS ESTABLISHED PURSUANT TO ARTICLE
10 THIRTY-FIVE OF THE EXECUTIVE LAW. THE STATE DIVISION OF CRIMINAL
11 JUSTICE SERVICES SHALL PROMPTLY NOTIFY THE COMMISSION IN THE EVENT A
12 CURRENT OR PROSPECTIVE QUALIFIER, WHO WAS THE SUBJECT OF A CRIMINAL
13 HISTORY RECORD CHECK PURSUANT TO THIS SECTION, IS ARRESTED FOR A CRIME
14 OR OFFENSE IN THIS STATE AFTER THE DATE THE CHECK WAS PERFORMED.

15 9. SUBSEQUENT TO THE LICENSURE OF ANY ENTITY PURSUANT TO SUBDIVISION
16 ONE OF THIS SECTION, INCLUDING ANY FINDING OF QUALIFICATION AS MAY BE
17 REQUIRED AS A CONDITION OF LICENSURE, OR THE REGISTRATION OF ANY VENDOR
18 PURSUANT TO SUBDIVISION THREE OF THIS SECTION, THE EXECUTIVE DIRECTOR
19 MAY REVOKE, SUSPEND, LIMIT, OR OTHERWISE RESTRICT THE LICENSE, REGISTRA-
20 TION OR QUALIFICATION STATUS UPON A FINDING THAT THE LICENSEE, REGIS-
21 TRANT OR QUALIFIER IS DISQUALIFIED ON THE BASIS OF THE CRITERIA SET
22 FORTH IN SECTION ONE THOUSAND THREE HUNDRED EIGHTEEN OF THIS ARTICLE.

23 10. AFTER NOTICE AND HEARING PRIOR TO THE SUSPENSION OF ANY LICENSE,
24 REGISTRATION OR QUALIFICATION ISSUED PURSUANT TO SUBDIVISION SEVEN OF
25 THIS SECTION THE COMMISSION SHALL HAVE THE OBLIGATION TO PROVE BY
26 SUBSTANTIAL EVIDENCE THAT THE LICENSEE, REGISTRANT OR QUALIFIER IS
27 DISQUALIFIED ON THE BASIS OF THE CRITERIA SET FORTH IN SECTION ONE THOU-
28 SAND THREE HUNDRED EIGHTEEN OF THIS ARTICLE.

29 S 1327. DURATION AND RENEWAL OF VENDOR REGISTRATION. 1. A CASINO
30 VENDOR REGISTRATION SHALL BE EFFECTIVE UPON ISSUANCE, AND SHALL REMAIN
31 VALID FOR FIVE YEARS UNLESS REVOKED, SUSPENDED, VOIDED BY LAW, LIMITED,
32 OR OTHERWISE RESTRICTED BY THE COMMISSION. SUCH REGISTRATIONS MAY BE
33 RENEWED BY THE HOLDER THEREOF UPON APPLICATION, ON A FORM PRESCRIBED BY
34 THE COMMISSION, AND PAYMENT OF THE APPLICABLE FEE. NOTWITHSTANDING THE
35 FOREGOING, IF A VENDOR REGISTRANT HAS NOT CONDUCTED BUSINESS WITH A
36 GAMING FACILITY FOR A PERIOD OF THREE YEARS, THE REGISTRATION OF THAT
37 VENDOR REGISTRANT SHALL LAPSE.

38 2. THE COMMISSION SHALL ESTABLISH BY REGULATION REASONABLE AND APPRO-
39 PRIATE FEES TO BE IMPOSED ON EACH VENDOR REGISTRANT WHO PROVIDES GOODS
40 OR SERVICES TO A GAMING FACILITY, REGARDLESS OF THE NATURE OF ANY
41 CONTRACTUAL RELATIONSHIP BETWEEN THE VENDOR REGISTRANT AND GAMING FACIL-
42 ITY, IF ANY. SUCH FEES SHALL BE PAID TO THE COMMISSION.

43 S 1328. JUNKET OPERATOR LICENSING. 1. NO JUNKETS MAY BE ORGANIZED OR
44 PERMITTED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE. NO
45 PERSON MAY ACT AS A JUNKET REPRESENTATIVE OR JUNKET ENTERPRISE EXCEPT IN
46 ACCORDANCE WITH THIS SECTION.

47 2. A JUNKET REPRESENTATIVE EMPLOYED BY A GAMING FACILITY LICENSEE, AN
48 APPLICANT FOR A GAMING FACILITY LICENSE OR AN AFFILIATE OF A GAMING
49 FACILITY LICENSEE SHALL BE LICENSED AS A CASINO KEY EMPLOYEE; PROVIDED,
50 HOWEVER, THAT SAID LICENSEE NEED NOT BE A RESIDENT OF THIS STATE. NO
51 GAMING FACILITY LICENSEE OR APPLICANT FOR A GAMING FACILITY LICENSE MAY
52 EMPLOY OR OTHERWISE ENGAGE A JUNKET REPRESENTATIVE WHO IS NOT SO
53 LICENSED.

54 3. JUNKET ENTERPRISES THAT, AND JUNKET REPRESENTATIVES NOT EMPLOYED BY
55 A GAMING FACILITY LICENSEE OR AN APPLICANT FOR A GAMING FACILITY LICENSE
56 OR BY A JUNKET ENTERPRISE WHO, ENGAGE IN ACTIVITIES GOVERNED BY THIS

1 SECTION SHALL BE LICENSED AS AN ANCILLARY CASINO VENDOR ENTERPRISE IN
2 ACCORDANCE WITH SUBDIVISION THREE OF SECTION ONE THOUSAND THREE HUNDRED
3 TWENTY-SIX OF THIS TITLE, UNLESS OTHERWISE DIRECTED BY THE COMMISSION;
4 PROVIDED, HOWEVER, THAT ANY SUCH JUNKET ENTERPRISE OR JUNKET REPRESENTATIVE WHO HAS DISQUALIFIED SHALL BE ENTITLED TO ESTABLISH HIS OR HER
5 REHABILITATION FROM SUCH DISQUALIFICATION PURSUANT TO ARTICLE
6 TWENTY-THREE-A OF THE CORRECTION LAW. ANY NON-SUPERVISORY EMPLOYEE OF A
7 JUNKET ENTERPRISE OR JUNKET REPRESENTATIVE LICENSED AS AN ANCILLARY
8 CASINO VENDOR ENTERPRISE IN ACCORDANCE WITH SUBDIVISION THREE OF SECTION
9 ONE THOUSAND THREE HUNDRED TWENTY-SIX OF THIS TITLE SHALL BE REGISTERED.

10 4. PRIOR TO THE ISSUANCE OF ANY LICENSE REQUIRED BY THIS SECTION, AN
11 APPLICANT FOR LICENSURE SHALL SUBMIT TO THE JURISDICTION OF THE STATE
12 AND SHALL DEMONSTRATE THAT HE OR SHE IS AMENABLE TO SERVICE OF PROCESS
13 WITHIN THIS STATE. FAILURE TO ESTABLISH OR MAINTAIN COMPLIANCE WITH THE
14 REQUIREMENTS OF THIS SUBDIVISION SHALL CONSTITUTE SUFFICIENT CAUSE FOR
15 THE DENIAL, SUSPENSION OR REVOCATION OF ANY LICENSE ISSUED PURSUANT TO
16 THIS SECTION.

17 5. UPON PETITION BY THE HOLDER OF A GAMING FACILITY LICENSE, AN APPLI-
18 CANT FOR A CASINO KEY EMPLOYEE LICENSE INTENDING TO BE EMPLOYED AS A
19 JUNKET REPRESENTATIVE MAY BE ISSUED A TEMPORARY LICENSE BY THE COMMIS-
20 SION IN ACCORDANCE WITH REGULATIONS PROMULGATED, PROVIDED THAT:

21 (A) THE APPLICANT FOR LICENSURE IS EMPLOYED BY A GAMING FACILITY
22 LICENSEE; AND

23 (B) THE APPLICANT FOR LICENSURE HAS FILED A COMPLETED APPLICATION AS
24 REQUIRED BY THE COMMISSION.

25 6. THE COMMISSION SHALL HAVE THE AUTHORITY TO IMMEDIATELY SUSPEND,
26 LIMIT OR CONDITION ANY TEMPORARY LICENSE ISSUED PURSUANT TO THIS
27 SECTION, PENDING A HEARING ON THE QUALIFICATIONS OF THE JUNKET REPRESENTATIVE.

28 7. UNLESS OTHERWISE TERMINATED, ANY TEMPORARY LICENSE ISSUED PURSUANT
29 TO THIS SECTION SHALL EXPIRE TWELVE MONTHS FROM THE DATE OF ITS ISSU-
30 ANCE, AND SHALL BE RENEWABLE BY THE COMMISSION FOR ONE ADDITIONAL SIX
31 MONTH PERIOD.

32 8. EVERY AGREEMENT CONCERNING JUNKETS ENTERED INTO BY A GAMING FACILI-
33 TY LICENSEE AND A JUNKET REPRESENTATIVE OR JUNKET ENTERPRISE SHALL BE
34 DEEMED TO INCLUDE A PROVISION FOR ITS TERMINATION WITHOUT LIABILITY ON
35 THE PART OF THE GAMING FACILITY LICENSEE, IF THE COMMISSION ORDERS THE
36 TERMINATION UPON THE SUSPENSION, LIMITATION, CONDITIONING, DENIAL OR
37 REVOCATION OF THE LICENSURE OF THE JUNKET REPRESENTATIVE OR JUNKET
38 ENTERPRISE. FAILURE TO EXPRESSLY INCLUDE SUCH A CONDITION IN THE AGREE-
39 MENT SHALL NOT CONSTITUTE A DEFENSE IN ANY ACTION BROUGHT TO TERMINATE
40 THE AGREEMENT.

41 9. A GAMING FACILITY LICENSEE SHALL BE RESPONSIBLE FOR THE CONDUCT OF
42 ANY JUNKET REPRESENTATIVE OR JUNKET ENTERPRISE ASSOCIATED WITH IT AND
43 FOR THE TERMS AND CONDITIONS OF ANY JUNKET ENGAGED IN ON ITS PREMISES,
44 REGARDLESS OF THE FACT THAT THE JUNKET MAY INVOLVE PERSONS NOT EMPLOYED
45 BY SUCH A GAMING FACILITY LICENSEE.

46 10. A GAMING FACILITY LICENSEE SHALL BE RESPONSIBLE FOR ANY VIOLATION
47 OR DEVIATION FROM THE TERMS OF A JUNKET. NOTWITHSTANDING ANY OTHER
48 PROVISIONS OF THIS ARTICLE, THE COMMISSION MAY ORDER RESTITUTION TO
49 JUNKET PARTICIPANTS, ASSESS PENALTIES FOR SUCH VIOLATIONS OR DEVIATIONS,
50 PROHIBIT FUTURE JUNKETS BY THE GAMING FACILITY LICENSEE, JUNKET ENTER-
51 PRISE OR JUNKET REPRESENTATIVE, AND ORDER SUCH FURTHER RELIEF AS IT
52 DEEMS APPROPRIATE.

53 11. THE COMMISSION SHALL, BY REGULATION, PRESCRIBE METHODS, PROCEDURES
54 AND FORMS FOR THE DELIVERY AND RETENTION OF INFORMATION CONCERNING THE
55

1 CONDUCT OF JUNKETS BY GAMING FACILITY LICENSEES. WITHOUT LIMITATION OF
2 THE FOREGOING, EACH GAMING FACILITY LICENSEE, IN ACCORDANCE WITH THE
3 RULES OF THE COMMISSION, SHALL:

4 (A) MAINTAIN ON FILE A REPORT DESCRIBING THE OPERATION OF ANY JUNKET
5 ENGAGED IN ON ITS PREMISES; AND

6 (B) SUBMIT TO THE COMMISSION A LIST OF ALL ITS EMPLOYEES WHO ARE
7 ACTING AS JUNKET REPRESENTATIVES.

8 12. EACH GAMING FACILITY LICENSEE, JUNKET REPRESENTATIVE OR JUNKET
9 ENTERPRISE SHALL, IN ACCORDANCE WITH THE RULES OF THE COMMISSION, FILE A
10 REPORT WITH THE COMMISSION WITH RESPECT TO EACH LIST OF JUNKET PATRONS
11 OR POTENTIAL JUNKET PATRONS PURCHASED DIRECTLY OR INDIRECTLY BY THE
12 GAMING FACILITY LICENSEE, JUNKET REPRESENTATIVE OR ENTERPRISE.

13 13. THE COMMISSION SHALL HAVE THE AUTHORITY TO DETERMINE, EITHER BY
14 REGULATION, OR UPON PETITION BY THE HOLDER OF A GAMING FACILITY LICENSE,
15 THAT A TYPE OF ARRANGEMENT OTHERWISE INCLUDED WITHIN THE DEFINITION OF
16 "JUNKET" SHALL NOT REQUIRE COMPLIANCE WITH ANY OR ALL OF THE REQUIRE-
17 MENTS OF THIS SECTION. IN GRANTING EXEMPTIONS, THE COMMISSION SHALL
18 CONSIDER SUCH FACTORS AS THE NATURE, VOLUME AND SIGNIFICANCE OF THE
19 PARTICULAR TYPE OF ARRANGEMENT, AND WHETHER THE EXEMPTION WOULD BE
20 CONSISTENT WITH THE PUBLIC POLICIES ESTABLISHED BY THIS ARTICLE. IN
21 APPLYING THE PROVISIONS OF THIS SUBDIVISION, THE COMMISSION MAY CONDI-
22 TION, LIMIT, OR RESTRICT ANY EXEMPTION AS IT MAY DEEM APPROPRIATE.

23 14. NO JUNKET ENTERPRISE OR JUNKET REPRESENTATIVE OR PERSON ACTING AS
24 A JUNKET REPRESENTATIVE MAY:

25 (A) ENGAGE IN EFFORTS TO COLLECT UPON CHECKS THAT HAVE BEEN RETURNED
26 BY BANKS WITHOUT FULL AND FINAL PAYMENT;

27 (B) EXERCISE APPROVAL AUTHORITY WITH REGARD TO THE AUTHORIZATION OR
28 ISSUANCE OF CREDIT;

29 (C) ACT ON BEHALF OF OR UNDER ANY ARRANGEMENT WITH A GAMING FACILITY
30 LICENSEE OR A GAMING PATRON WITH REGARD TO THE REDEMPTION, CONSOL-
31 IDATION, OR SUBSTITUTION OF THE GAMING PATRON'S CHECKS AWAITING DEPOSIT;

32 (D) INDIVIDUALLY RECEIVE OR RETAIN ANY FEE FROM A PATRON FOR THE PRIV-
33 ILEGE OF PARTICIPATING IN A JUNKET; AND

34 (E) PAY FOR ANY SERVICES, INCLUDING TRANSPORTATION, OR OTHER ITEMS OF
35 VALUE PROVIDED TO, OR FOR THE BENEFIT OF, ANY PATRON PARTICIPATING IN A
36 JUNKET.

37 S 1329. LOBBYIST REGISTRATION. 1. FOR PURPOSES OF THIS SECTION, THE
38 TERMS "LOBBYIST", "LOBBYING", "LOBBYING ACTIVITIES" AND "CLIENT" SHALL
39 HAVE THE SAME MEANING AS THOSE TERMS ARE DEFINED BY SECTION ONE-C OF THE
40 LEGISLATIVE LAW.

41 2. IN ADDITION TO ANY OTHER REGISTRATION AND REPORTING REQUIRED BY
42 LAW, EACH LOBBYIST SEEKING TO ENGAGE IN LOBBYING ACTIVITY ON BEHALF OF A
43 CLIENT OR A CLIENT'S INTEREST BEFORE THE COMMISSION SHALL FIRST REGISTER
44 WITH THE SECRETARY OF THE COMMISSION. THE SECRETARY SHALL CAUSE A REGIS-
45 TRATION TO BE AVAILABLE ON THE COMMISSION'S WEBSITE WITHIN FIVE DAYS OF
46 SUBMISSION.

47 S 1330. REGISTRATION OF LABOR ORGANIZATIONS. 1. EACH LABOR ORGANIZA-
48 TION, UNION OR AFFILIATE SEEKING TO REPRESENT EMPLOYEES WHO ARE EMPLOYED
49 IN A GAMING FACILITY BY A GAMING FACILITY LICENSEE SHALL REGISTER WITH
50 THE COMMISSION BIENNIALY, AND SHALL DISCLOSE SUCH INFORMATION AS THE
51 COMMISSION MAY REQUIRE, INCLUDING THE NAMES OF ALL AFFILIATED ORGANIZA-
52 TIONS, PENSION AND WELFARE SYSTEMS AND ALL OFFICERS AND AGENTS OF SUCH
53 ORGANIZATIONS AND SYSTEMS; PROVIDED, HOWEVER, THAT NO LABOR ORGANIZA-
54 TION, UNION, OR AFFILIATE SHALL BE REQUIRED TO FURNISH SUCH INFORMATION
55 TO THE EXTENT SUCH INFORMATION IS INCLUDED IN A REPORT FILED BY ANY
56 LABOR ORGANIZATION, UNION, OR AFFILIATE WITH THE SECRETARY OF LABOR

1 PURSUANT TO 29 U.S.C. S 431 ET SEQ. OR S 1001 ET SEQ. IF A COPY OF SUCH
2 REPORT, OR OF THE PORTION THEREOF CONTAINING SUCH INFORMATION, IS
3 FURNISHED TO THE COMMISSION PURSUANT TO THE AFORESAID FEDERAL
4 PROVISIONS. THE COMMISSION MAY IN ITS DISCRETION EXEMPT ANY LABOR ORGAN-
5 IZATION, UNION, OR AFFILIATE FROM THE REGISTRATION REQUIREMENTS OF THIS
6 SUBDIVISION WHERE THE COMMISSION FINDS THAT SUCH ORGANIZATION, UNION OR
7 AFFILIATE IS NOT THE CERTIFIED BARGAINING REPRESENTATIVE OF ANY EMPLOYEE
8 WHO IS EMPLOYED IN A GAMING FACILITY BY A GAMING FACILITY LICENSEE, IS
9 NOT INVOLVED ACTIVELY, DIRECTLY OR SUBSTANTIALLY IN THE CONTROL OR
10 DIRECTION OF THE REPRESENTATION OF ANY SUCH EMPLOYEE, AND IS NOT SEEKING
11 TO DO SO.

12 2. NO PERSON MAY ACT AS AN OFFICER, AGENT OR PRINCIPAL EMPLOYEE OF A
13 LABOR ORGANIZATION, UNION OR AFFILIATE REGISTERED OR REQUIRED TO BE
14 REGISTERED PURSUANT TO THIS SECTION IF THE PERSON HAS BEEN FOUND
15 DISQUALIFIED BY THE COMMISSION IN ACCORDANCE WITH THE CRITERIA CONTAINED
16 IN SECTION ONE THOUSAND THREE HUNDRED EIGHTEEN OF THIS ARTICLE. THE
17 COMMISSION MAY, FOR PURPOSES OF THIS SUBDIVISION, WAIVE ANY DISQUALI-
18 FICATION CRITERION CONSISTENT WITH THE PUBLIC POLICY OF THIS ARTICLE AND
19 UPON A FINDING THAT THE INTERESTS OF JUSTICE SO REQUIRE.

20 3. NEITHER A LABOR ORGANIZATION, UNION OR AFFILIATE NOR ITS OFFICERS
21 AND AGENTS NOT OTHERWISE INDIVIDUALLY LICENSED OR REGISTERED UNDER THIS
22 ARTICLE AND EMPLOYED BY A GAMING FACILITY LICENSEE MAY HOLD ANY FINAN-
23 CIAL INTEREST WHATSOEVER IN THE GAMING FACILITY OR GAMING FACILITY
24 LICENSEE WHOSE EMPLOYEES THEY REPRESENT.

25 4. THE COMMISSION MAY MAINTAIN A CIVIL ACTION AND PROCEED IN A SUMMARY
26 MANNER, WITHOUT POSTING BOND, AGAINST ANY PERSON, INCLUDING ANY LABOR
27 ORGANIZATION, UNION OR AFFILIATE, TO COMPEL COMPLIANCE WITH THIS
28 SECTION, OR TO PREVENT ANY VIOLATIONS, THE AIDING AND ABETTING THEREOF,
29 OR ANY ATTEMPT OR CONSPIRACY TO VIOLATE THIS SECTION.

30 5. IN ADDITION TO ANY OTHER REMEDIES PROVIDED IN THIS SECTION, A LABOR
31 ORGANIZATION, UNION OR AFFILIATE REGISTERED OR REQUIRED TO BE REGISTERED
32 PURSUANT TO THIS SECTION MAY BE PROHIBITED BY THE COMMISSION FROM
33 RECEIVING ANY DUES FROM ANY EMPLOYEE LICENSED OR REGISTERED UNDER THIS
34 ARTICLE AND EMPLOYED BY A GAMING FACILITY LICENSEE OR ITS AGENT, IF ANY
35 OFFICER, AGENT OR PRINCIPAL EMPLOYEE OF THE LABOR ORGANIZATION, UNION OR
36 AFFILIATE HAS BEEN FOUND DISQUALIFIED AND IF SUCH DISQUALIFICATION HAS
37 NOT BEEN WAIVED BY THE COMMISSION IN ACCORDANCE WITH SUBDIVISION TWO OF
38 THIS SECTION.

39 S 1330-A. CASINO GAMING EXPENDITURES. 1. (A) IN ADDITION TO ANY OTHER
40 REGISTRATION OR REPORTING REQUIRED BY LAW, ANY ENTITY LICENSED UNDER
41 SECTION SIXTEEN HUNDRED SEVENTEEN-A OF THE TAX LAW, OR WHICH POSSESSES A
42 PARI-MUTUEL WAGERING LICENSE OR FRANCHISE AWARDED PURSUANT TO ARTICLE
43 TWO OR THREE OF THIS CHAPTER THAT MAKES AN EXPENDITURE OF MORE THAN ONE
44 THOUSAND DOLLARS FOR ANY WRITTEN, TYPED, OR OTHER PRINTED COMMUNICATION,
45 OR ANY INTERNET-BASED COMMUNICATION, OR ANY TELEVISION OR RADIO COMMUNI-
46 CATION, OR ANY AUTOMATED OR PAID TELEPHONE COMMUNICATIONS, IN SUPPORT OR
47 OPPOSITION TO ANY REFERENDUM AUTHORIZED BY THE STATE LEGISLATURE FOLLOW-
48 ING SECOND PASSAGE OF A CONCURRENT RESOLUTION TO AMEND THE STATE CONSTI-
49 TUTION TO PERMIT OR AUTHORIZE CASINO GAMING TO A GENERAL PUBLIC AUDI-
50 ENCE, SHALL FILE ANY REPORTS REQUIRED PURSUANT TO THE ELECTION LAW
51 SIMULTANEOUSLY WITH THE GAMING COMMISSION AND SHALL PROVIDE SUCH ADDI-
52 TIONAL REPORTS AS REQUIRED BY THE GAMING COMMISSION. THIS REQUIREMENT
53 SHALL APPLY IRRESPECTIVE OF WHETHER SUCH ENTITY MAKES SUCH EXPENDITURE
54 DIRECTLY OR INDIRECTLY VIA ONE OR MORE PERSONS. THE GAMING COMMISSION
55 SHALL PROMULGATE REGULATIONS TO IMPLEMENT THE REQUIREMENTS OF THIS
56 SECTION.

(B) CASINO GAMING EXPENDITURES DO NOT INCLUDE EXPENDITURES IN CONNECTION WITH:

(I) A WRITTEN NEWS STORY, COMMENTARY, OR EDITORIAL OR A NEWS STORY, COMMENTARY, OR EDITORIAL DISTRIBUTED THROUGH THE FACILITIES OF ANY BROADCASTING STATION, CABLE OR SATELLITE UNLESS SUCH PUBLICATION OR FACILITIES ARE OWNED OR CONTROLLED DIRECTLY OR INDIRECTLY BY THE PERSON MAKING SUCH EXPENDITURE; OR

(II) A COMMUNICATION PUBLISHED ON THE INTERNET, UNLESS THE COMMUNICATION IS A PAID ADVERTISEMENT.

(C) FOR PURPOSES OF THIS SECTION, THE TERM "PERSON" SHALL MEAN PERSON, GROUP OF PERSONS, CORPORATION, UNINCORPORATED BUSINESS ENTITY, LABOR ORGANIZATION OR BUSINESS, TRADE OR PROFESSIONAL ASSOCIATION OR ORGANIZATION, OR POLITICAL COMMITTEE.

(D) A KNOWING OR WILLFUL VIOLATION OF THE PROVISIONS OF THIS SECTION SHALL SUBJECT THE PERSON TO A CIVIL PENALTY EQUAL TO UP TO ONE HUNDRED THOUSAND DOLLARS OR THE COST OF THE COMMUNICATION, WHICHEVER IS GREATER, IMPOSED BY THE GAMING COMMISSION FOR EACH VIOLATION.

2. A COPY OF ALL COMMUNICATIONS PAID FOR BY THE CASINO GAMING EXPENDITURE, INCLUDING BUT NOT LIMITED TO BROADCAST, CABLE OR SATELLITE SCHEDULES AND SCRIPTS, ADVERTISEMENTS, PAMPHLETS, CIRCULARS, FLYERS, BROCHURES, LETTERHEADS AND OTHER PRINTED MATTER AND STATEMENTS OR INFORMATION CONVEYED TO ONE THOUSAND OR MORE MEMBERS OF A GENERAL PUBLIC AUDIENCE SHALL BE FILED WITH THE GAMING COMMISSION WITH THE STATEMENTS REQUIRED THIS ARTICLE.

TITLE 5

REQUIREMENTS FOR CONDUCT AND OPERATION OF GAMING

SECTION 1331. OPERATION CERTIFICATE.

1332. AGE FOR GAMING PARTICIPATION.

1333. HOURS OF OPERATION.

1334. INTERNAL CONTROLS.

1335. GAMES AND GAMING EQUIPMENT.

1336. CERTAIN WAGERING PROHIBITED.

1337. GRATUITIES.

1338. LIMITATION ON CERTAIN FINANCIAL ACCESS.

1339. CREDIT.

1340. ALCOHOLIC BEVERAGES.

1341. LICENSEE LEASES AND CONTRACTS.

1342. REQUIRED EXCLUSION OF CERTAIN PERSONS.

1343. EXCLUSION, EJECTION OF CERTAIN PERSONS.

1344. LIST OF PERSONS SELF-EXCLUDED FROM GAMING ACTIVITIES.

1345. EXCLUDED PERSON; FORFEITURE OF WINNINGS; OTHER SANCTIONS.

1346. LABOR PEACE AGREEMENTS FOR CERTAIN FACILITIES

S 1331. OPERATION CERTIFICATE. 1. NOTWITHSTANDING THE ISSUANCE OF A LICENSE THEREFOR, NO GAMING FACILITY MAY BE OPENED OR REMAIN OPEN TO THE PUBLIC, AND NO GAMING ACTIVITY, EXCEPT FOR TEST PURPOSES, MAY BE CONDUCTED THEREIN, UNLESS AND UNTIL A VALID OPERATION CERTIFICATE HAS BEEN ISSUED TO THE GAMING FACILITY LICENSEE BY THE COMMISSION. SUCH CERTIFICATE SHALL BE ISSUED BY THE EXECUTIVE DIRECTOR UPON A DETERMINATION THAT A GAMING FACILITY COMPLIES IN ALL RESPECTS WITH THE REQUIREMENTS OF THIS ARTICLE AND REGULATIONS PROMULGATED HEREUNDER, AND THAT THE GAMING FACILITY IS PREPARED IN ALL RESPECTS TO RECEIVE AND ENTERTAIN THE PUBLIC.

2. AN OPERATION CERTIFICATE SHALL REMAIN IN FORCE AND EFFECT UNLESS REVOKED, SUSPENDED, LIMITED, OR OTHERWISE ALTERED BY THE COMMISSION IN ACCORDANCE WITH THIS ARTICLE.

1 3. IT SHALL BE AN EXPRESS CONDITION OF CONTINUED OPERATION UNDER THIS
2 ARTICLE THAT A GAMING FACILITY LICENSEE SHALL MAINTAIN EITHER ELECTRON-
3 ICALLY OR IN HARD COPY AT THE DISCRETION OF THE GAMING FACILITY LICEN-
4 SEE, COPIES OF ALL BOOKS, RECORDS, AND DOCUMENTS PERTAINING TO THE
5 LICENSEE'S OPERATIONS AND APPROVED HOTEL IN A MANNER AND LOCATION
6 APPROVED BY THE COMMISSION, PROVIDED, HOWEVER, THAT THE ORIGINALS OF
7 SUCH BOOKS, RECORDS AND DOCUMENTS, WHETHER IN ELECTRONIC OR HARD COPY
8 FORM, MAY BE MAINTAINED AT THE OFFICES OR ELECTRONIC SYSTEM OF AN AFFIL-
9 IATE OF THE GAMING FACILITY LICENSEE, AT THE DISCRETION OF THE GAMING
10 FACILITY LICENSEE. ALL SUCH BOOKS, RECORDS AND DOCUMENTS SHALL BE IMME-
11 DIATELY AVAILABLE FOR INSPECTION DURING ALL HOURS OF OPERATION IN
12 ACCORDANCE WITH THE RULES OF THE COMMISSION AND SHALL BE MAINTAINED FOR
13 SUCH PERIOD OF TIME AS THE COMMISSION SHALL REQUIRE.

14 S 1332. AGE FOR GAMING PARTICIPATION. 1. NO PERSON UNDER THE AGE AT
15 WHICH A PERSON IS AUTHORIZED TO PURCHASE AND CONSUME ALCOHOLIC BEVERAGES
16 SHALL ENTER, OR WAGER IN, A LICENSED GAMING FACILITY; PROVIDED, HOWEVER,
17 THAT SUCH A PERSON MAY ENTER A GAMING FACILITY BY WAY OF PASSAGE TO
18 ANOTHER ROOM, AND PROVIDED FURTHER, HOWEVER, THAT ANY SUCH PERSON WHO IS
19 LICENSED OR REGISTERED UNDER THE PROVISIONS OF THIS ARTICLE MAY ENTER A
20 GAMING FACILITY IN THE REGULAR COURSE OF THE PERSON'S PERMITTED ACTIV-
21 ITIES.

22 2. ANY PERSON DISQUALIFIED PURSUANT TO SUBDIVISION ONE OF THIS SECTION
23 ENTITLED TO FUNDS, CASH OR PRIZES FROM GAMBLING ACTIVITY SHALL FORFEIT
24 SAME. SUCH FORFEITED FUNDS, CASH OR PRIZES SHALL BE REMITTED TO THE
25 COMMISSION AND DEPOSITED INTO THE COMMERCIAL GAMING REVENUE FUND.

26 S 1333. HOURS OF OPERATION. 1. EACH GAMING FACILITY LICENSED PURSUANT
27 TO THIS ARTICLE SHALL BE PERMITTED TO OPERATE TWENTY-FOUR HOURS A DAY
28 UNLESS OTHERWISE DIRECTED BY THE COMMISSION.

29 2. A GAMING FACILITY LICENSEE SHALL FILE WITH THE COMMISSION A SCHED-
30 ULE OF HOURS PRIOR TO THE ISSUANCE OF AN INITIAL OPERATION CERTIFICATE.
31 IF THE GAMING FACILITY LICENSEE PROPOSES ANY CHANGE IN SCHEDULED HOURS,
32 SUCH CHANGE MAY NOT BE EFFECTED UNTIL SUCH LICENSEE FILES A NOTICE OF
33 THE NEW SCHEDULE OF HOURS WITH THE COMMISSION. SUCH FILING MUST BE MADE
34 THIRTY DAYS PRIOR TO THE EFFECTIVE DATE OF THE PROPOSED CHANGE IN HOURS.

35 3. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT A GAMING FACIL-
36 ITY LICENSEE IN OPENING ITS CASINO LATER THAN, OR CLOSING ITS CASINO
37 EARLIER THAN, THE TIMES STATED IN ITS SCHEDULE OF OPERATING HOURS;
38 PROVIDED, HOWEVER, THAT ANY SUCH ALTERATIONS IN ITS HOURS SHALL COMPLY
39 WITH THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION AND WITH REGU-
40 LATIONS OF THE COMMISSION PERTAINING TO SUCH ALTERATIONS.

41 S 1334. INTERNAL CONTROLS. 1. EACH APPLICANT FOR A GAMING FACILITY
42 LICENSE SHALL CREATE, MAINTAIN, AND FILE WITH THE COMMISSION A
43 DESCRIPTION OF ITS INTERNAL PROCEDURES AND ADMINISTRATIVE AND ACCOUNTING
44 CONTROLS FOR GAMING OPERATIONS THAT CONFORM TO COMMISSION REGULATIONS
45 AND PROVIDE ADEQUATE AND EFFECTIVE CONTROLS, ESTABLISH A CONSISTENT
46 OVERALL SYSTEM OF INTERNAL PROCEDURES AND ADMINISTRATIVE AND ACCOUNTING
47 CONTROLS AND CONFORM TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, AND
48 ENSURE THAT GAMING FACILITY PROCEDURES ARE CARRIED OUT AND SUPERVISED BY
49 PERSONNEL WHO DO NOT HAVE INCOMPATIBLE FUNCTIONS. A GAMING FACILITY
50 LICENSEE'S INTERNAL CONTROLS SHALL CONTAIN A NARRATIVE DESCRIPTION OF
51 THE INTERNAL CONTROL SYSTEM TO BE UTILIZED BY THE GAMING FACILITY,
52 INCLUDING, BUT NOT LIMITED TO:

53 (A) ACCOUNTING CONTROLS, INCLUDING THE STANDARDIZATION OF FORMS AND
54 DEFINITION OF TERMS TO BE UTILIZED IN THE GAMING OPERATIONS;

55 (B) PROCEDURES, FORMS, AND, WHERE APPROPRIATE, FORMULAS COVERING THE
56 CALCULATION OF HOLD PERCENTAGES; REVENUE DROP; EXPENSE AND OVERHEAD

1 SCHEDULES; COMPLIMENTARY SERVICE OR ITEM; JUNKETS; AND CASH EQUIVALENT
2 TRANSACTIONS;

3 (C) PROCEDURES WITHIN THE CASHIER'S CAGE FOR THE RECEIPT, STORAGE AND
4 DISBURSAL OF CHIPS, CASH, AND OTHER CASH EQUIVALENTS USED IN GAMING; THE
5 CASHING OF CHECKS; THE REDEMPTION OF CHIPS AND OTHER CASH EQUIVALENTS
6 USED IN GAMING; THE PAY-OFF OF JACKPOTS; AND THE RECORDING OF TRANS-
7 ACTIONS PERTAINING TO GAMING OPERATIONS;

8 (D) PROCEDURES FOR THE COLLECTION AND SECURITY OF MONEYS AT THE GAMING
9 TABLES;

10 (E) PROCEDURES FOR THE TRANSFER AND RECORDATION OF CHIPS BETWEEN THE
11 GAMING TABLES AND THE CASHIER'S CAGE;

12 (F) PROCEDURES FOR THE TRANSFER OF MONEYS FROM THE GAMING TABLES TO
13 THE COUNTING PROCESS;

14 (G) PROCEDURES AND SECURITY FOR THE COUNTING AND RECORDATION OF REVEN-
15 UE;

16 (H) PROCEDURES FOR THE SECURITY, STORAGE AND RECORDATION OF CASH,
17 CHIPS AND OTHER CASH EQUIVALENTS UTILIZED IN THE GAMING;

18 (I) PROCEDURES FOR THE TRANSFER OF MONEYS OR CHIPS FROM AND TO THE
19 SLOT MACHINES;

20 (J) PROCEDURES AND STANDARDS FOR THE OPENING AND SECURITY OF SLOT
21 MACHINES;

22 (K) PROCEDURES FOR THE PAYMENT AND RECORDATION OF SLOT MACHINE JACK-
23 POTS;

24 (L) PROCEDURES FOR THE CASHING AND RECORDATION OF CHECKS EXCHANGED BY
25 CASINO PATRONS;

26 (M) PROCEDURES GOVERNING THE UTILIZATION OF THE PRIVATE SECURITY FORCE
27 WITHIN THE GAMING FACILITY;

28 (N) PROCEDURES AND SECURITY STANDARDS FOR THE HANDLING AND STORAGE OF
29 GAMING APPARATUS INCLUDING CARDS, DICE, MACHINES, WHEELS AND ALL OTHER
30 GAMING EQUIPMENT;

31 (O) PROCEDURES AND RULES GOVERNING THE CONDUCT OF PARTICULAR GAMES AND
32 THE RESPONSIBILITY OF GAMING FACILITY PERSONNEL IN RESPECT THERETO;

33 (P) PROCEDURES FOR THE ORDERLY SHUTDOWN OF GAMING FACILITY OPERATIONS
34 IN THE EVENT THAT A STATE OF EMERGENCY IS DECLARED AND THE GAMING FACIL-
35 ITY LICENSEE IS UNABLE OR INELIGIBLE TO CONTINUE TO CONDUCT GAMING
36 FACILITY OPERATIONS DURING SUCH A STATE OF EMERGENCY, WHICH PROCEDURES
37 SHALL INCLUDE, WITHOUT LIMITATION, THE SECURING OF ALL KEYS AND GAMING
38 ASSETS.

39 2. NO MINIMUM STAFFING REQUIREMENTS SHALL BE INCLUDED IN THE INTERNAL
40 CONTROLS CREATED IN ACCORDANCE WITH SUBDIVISION ONE OF THIS SECTION.

41 S 1335. GAMES AND GAMING EQUIPMENT. 1. THIS ARTICLE SHALL NOT BE
42 CONSTRUED TO PERMIT ANY GAMING EXCEPT THE CONDUCT OF AUTHORIZED GAMES IN
43 A CASINO IN ACCORDANCE WITH THIS ARTICLE AND THE REGULATIONS PROMULGATED
44 HEREUNDER.

45 2. GAMING EQUIPMENT SHALL NOT BE POSSESSED, MAINTAINED OR EXHIBITED BY
46 ANY PERSON ON THE PREMISES OF A GAMING FACILITY EXCEPT IN A CASINO OR IN
47 RESTRICTED CASINO AREAS USED FOR THE INSPECTION, REPAIR OR STORAGE OF
48 SUCH EQUIPMENT AND SPECIFICALLY DESIGNATED FOR THAT PURPOSE BY THE
49 GAMING FACILITY LICENSEE WITH THE APPROVAL OF THE COMMISSION. GAMING
50 EQUIPMENT THAT SUPPORTS THE CONDUCT OF GAMING IN A GAMING FACILITY BUT
51 DOES NOT PERMIT OR REQUIRE PATRON ACCESS, SUCH AS COMPUTERS, MAY BE
52 POSSESSED AND MAINTAINED BY A GAMING FACILITY LICENSEE OR A QUALIFIED
53 HOLDING OR INTERMEDIARY COMPANY OF A GAMING FACILITY LICENSEE IN
54 RESTRICTED AREAS SPECIFICALLY APPROVED BY THE COMMISSION. NO GAMING
55 EQUIPMENT SHALL BE POSSESSED, MAINTAINED, EXHIBITED, BROUGHT INTO OR
56 REMOVED FROM A GAMING FACILITY BY ANY PERSON UNLESS SUCH EQUIPMENT IS

1 NECESSARY TO THE CONDUCT OF AN AUTHORIZED GAME, HAS PERMANENTLY AFFIXED,
2 IMPRINTED, IMPRESSED OR ENGRAVED THEREON AN IDENTIFICATION NUMBER OR
3 SYMBOL AUTHORIZED BY THE COMMISSION, IS UNDER THE EXCLUSIVE CONTROL OF A
4 GAMING FACILITY LICENSEE OR GAMING FACILITY LICENSEE'S EMPLOYEES, OR OF
5 ANY INDIVIDUALLY QUALIFIED EMPLOYEE OF A HOLDING COMPANY OR GAMING
6 FACILITY LICENSEE AND IS BROUGHT INTO OR REMOVED FROM THE GAMING FACILI-
7 TY FOLLOWING TWENTY-FOUR HOUR PRIOR NOTICE GIVEN TO AN AUTHORIZED AGENT
8 OF THE COMMISSION.

9 NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, COMPUTER EQUIP-
10 MENT USED BY THE SLOT SYSTEM OPERATOR OF A MULTI-CASINO PROGRESSIVE SLOT
11 SYSTEM TO LINK AND COMMUNICATE WITH THE SLOT MACHINES OF TWO OR MORE
12 GAMING FACILITY LICENSEES FOR THE PURPOSE OF CALCULATING AND DISPLAYING
13 THE AMOUNT OF A PROGRESSIVE JACKPOT, MONITORING THE OPERATION OF THE
14 SYSTEM, AND ANY OTHER PURPOSE THAT THE COMMISSION DEEMS NECESSARY AND
15 APPROPRIATE TO THE OPERATION OR MAINTENANCE OF THE MULTI-CASINO PROGRES-
16 SIVE SLOT MACHINE SYSTEM MAY, WITH THE PRIOR APPROVAL OF THE COMMISSION,
17 BE POSSESSED, MAINTAINED AND OPERATED BY THE SLOT SYSTEM OPERATOR EITHER
18 IN A RESTRICTED AREA ON THE PREMISES OF A GAMING FACILITY OR IN A SECURE
19 FACILITY INACCESSIBLE TO THE PUBLIC AND SPECIFICALLY DESIGNED FOR THAT
20 PURPOSE OFF THE PREMISES OF A GAMING FACILITY WITH THE WRITTEN PERMIS-
21 SION OF THE COMMISSION. NOTWITHSTANDING THE FOREGOING, A PERSON MAY,
22 WITH THE PRIOR APPROVAL OF THE COMMISSION AND UNDER SUCH TERMS AND
23 CONDITIONS AS MAY BE REQUIRED BY THE COMMISSION, POSSESS, MAINTAIN OR
24 EXHIBIT GAMING EQUIPMENT IN ANY OTHER AREA OF THE GAMING FACILITY,
25 PROVIDED THAT SUCH EQUIPMENT IS USED FOR NONGAMING PURPOSES. NOTWITH-
26 STANDING ANY OTHER PROVISION OF THIS ARTICLE TO THE CONTRARY, THE
27 COMMISSION MAY, BY REGULATION, AUTHORIZE THE LINKING OF SLOT MACHINES OF
28 ONE OR MORE GAMING FACILITY LICENSEES AND SLOT MACHINES LOCATED IN CASI-
29 NOS LICENSED BY ANOTHER STATE OF THE UNITED STATES. WAGERING AND ACCOUNT
30 INFORMATION FOR A MULTI-STATE SLOT SYSTEM SHALL BE TRANSMITTED BY THE
31 OPERATOR OF SUCH MULTI-STATE SLOT SYSTEM TO EITHER A RESTRICTED AREA ON
32 THE PREMISES OF A GAMING FACILITY OR TO A SECURE FACILITY INACCESSIBLE
33 TO THE PUBLIC AND SPECIFICALLY DESIGNED FOR THAT PURPOSE WITH THE WRIT-
34 TEN PERMISSION OF THE COMMISSION, AND FROM THERE TO SLOT MACHINES OF
35 GAMING FACILITY LICENSEES, PROVIDED ALL LOCATIONS ARE APPROVED BY THE
36 COMMISSION.

37 3. EACH GAMING FACILITY SHALL CONTAIN A COUNT ROOM AND SUCH OTHER
38 SECURE FACILITIES AS MAY BE REQUIRED BY THE COMMISSION FOR THE COUNTING
39 AND STORAGE OF CASH, COINS, TOKENS, CHECKS, PLAQUES, GAMING VOUCHERS,
40 COUPONS, AND OTHER DEVICES OR ITEMS OF VALUE USED IN WAGERING AND
41 APPROVED BY THE COMMISSION THAT ARE RECEIVED IN THE CONDUCT OF GAMING
42 AND FOR THE INSPECTION, COUNTING AND STORAGE OF DICE, CARDS, CHIPS AND
43 OTHER REPRESENTATIVES OF VALUE. THE COMMISSION SHALL PROMULGATE REGU-
44 LATIONS FOR THE SECURITY OF DROP BOXES AND OTHER DEVICES IN WHICH THE
45 FOREGOING ITEMS ARE DEPOSITED AT THE GAMING TABLES OR IN SLOT MACHINES,
46 AND ALL AREAS WHEREIN SUCH BOXES AND DEVICES ARE KEPT WHILE IN USE,
47 WHICH REGULATIONS MAY INCLUDE CERTAIN LOCKING DEVICES. SAID DROP BOXES
48 AND OTHER DEVICES SHALL NOT BE BROUGHT INTO OR REMOVED FROM A GAMING
49 FACILITY, OR LOCKED OR UNLOCKED, EXCEPT AT SUCH TIMES, IN SUCH PLACES,
50 AND ACCORDING TO SUCH PROCEDURES AS THE COMMISSION MAY REQUIRE.

51 4. ALL CHIPS USED IN GAMING SHALL BE OF SUCH SIZE AND UNIFORM COLOR BY
52 DENOMINATION AS THE COMMISSION SHALL REQUIRE BY REGULATION.

53 5. ALL GAMING SHALL BE CONDUCTED ACCORDING TO RULES PROMULGATED BY THE
54 COMMISSION. ALL WAGERS AND PAY-OFFS OF WINNING WAGERS SHALL BE MADE
55 ACCORDING TO RULES PROMULGATED BY THE COMMISSION, WHICH SHALL ESTABLISH
56 SUCH LIMITATIONS AS MAY BE NECESSARY TO ASSURE THE VITALITY OF CASINO

1 OPERATIONS AND FAIR ODDS TO PATRONS. EACH SLOT MACHINE SHALL HAVE A
2 MINIMUM PAYOUT OF EIGHTY-FIVE PERCENT.

3 6. EACH GAMING FACILITY LICENSEE SHALL MAKE AVAILABLE IN PRINTED FORM
4 TO ANY PATRON UPON REQUEST THE COMPLETE TEXT OF THE RULES OF THE COMMIS-
5 SION REGARDING GAMES AND THE CONDUCT OF GAMING, PAY-OFFS OF WINNING
6 WAGERS, AN APPROXIMATION OF THE ODDS OF WINNING FOR EACH WAGER, AND SUCH
7 OTHER ADVICE TO THE PLAYER AS THE COMMISSION SHALL REQUIRE. EACH GAMING
8 FACILITY LICENSEE SHALL PROMINENTLY POST WITHIN A CASINO, ACCORDING TO
9 REGULATIONS OF THE COMMISSION SUCH INFORMATION ABOUT GAMING RULES, PAY-
10 OFFS OF WINNING WAGERS, THE ODDS OF WINNING FOR EACH WAGER, AND SUCH
11 OTHER ADVICE TO THE PLAYER AS THE COMMISSION SHALL REQUIRE.

12 7. EACH GAMING TABLE SHALL BE EQUIPPED WITH A SIGN INDICATING THE
13 PERMISSIBLE MINIMUM AND MAXIMUM WAGERS PERTAINING THERETO. IT SHALL BE
14 UNLAWFUL FOR A GAMING FACILITY LICENSEE TO REQUIRE ANY WAGER TO BE
15 GREATER THAN THE STATED MINIMUM OR LESS THAN THE STATED MAXIMUM;
16 PROVIDED, HOWEVER, THAT ANY WAGER ACTUALLY MADE BY A PATRON AND NOT
17 REJECTED BY A GAMING FACILITY LICENSEE PRIOR TO THE COMMENCEMENT OF PLAY
18 SHALL BE TREATED AS A VALID WAGER.

19 8. TESTING OF SLOT MACHINES AND ASSOCIATED DEVICES. (A) EXCEPT AS
20 HEREIN PROVIDED, NO SLOT MACHINE SHALL BE USED TO CONDUCT GAMING UNLESS
21 IT IS IDENTICAL IN ALL ELECTRICAL, MECHANICAL AND OTHER ASPECTS TO A
22 MODEL THEREOF WHICH HAS BEEN SPECIFICALLY TESTED AND LICENSED FOR USE BY
23 THE COMMISSION. THE COMMISSION SHALL ALSO TEST OR CAUSE TO BE TESTED ANY
24 OTHER GAMING DEVICE, GAMING EQUIPMENT, GAMING-RELATED DEVICE OR
25 GROSS-REVENUE RELATED DEVICE, SUCH AS A SLOT MANAGEMENT SYSTEM, ELEC-
26 TRONIC TRANSFER CREDIT SYSTEM OR GAMING VOUCHER SYSTEM AS IT DEEMS
27 APPROPRIATE. IN ITS DISCRETION AND FOR THE PURPOSE OF EXPEDITING THE
28 APPROVAL PROCESS, THE COMMISSION MAY UTILIZE THE SERVICES OF A PRIVATE
29 TESTING LABORATORY THAT HAS OBTAINED A PLENARY LICENSE AS A CASINO
30 VENDOR ENTERPRISE TO PERFORM THE TESTING, AND MAY ALSO UTILIZE APPLICA-
31 BLE DATA FROM ANY SUCH PRIVATE TESTING LABORATORY OR FROM A GOVERNMENTAL
32 AGENCY OF A STATE AUTHORIZED TO REGULATE SLOT MACHINES AND OTHER GAMING
33 DEVICES, GAMING EQUIPMENT, GAMING-RELATED DEVICES AND GROSS-REVENUE
34 RELATED DEVICES USED IN GAMING, IF THE PRIVATE TESTING LABORATORY OR
35 GOVERNMENTAL AGENCY USES A TESTING METHODOLOGY SUBSTANTIALLY SIMILAR TO
36 THE METHODOLOGY APPROVED OR UTILIZED BY THE COMMISSION. THE COMMISSION,
37 IN ITS DISCRETION, MAY RELY UPON THE DATA PROVIDED BY THE PRIVATE TEST-
38 ING LABORATORY OR GOVERNMENTAL AGENCY AND ADOPT THE CONCLUSIONS OF SUCH
39 PRIVATE TESTING LABORATORY OR GOVERNMENTAL AGENCY REGARDING ANY SUBMIT-
40 TED DEVICE.

41 (B) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (E) OF THIS SUBDIVISION,
42 THE COMMISSION SHALL, WITHIN SIXTY DAYS OF ITS RECEIPT OF A COMPLETE
43 APPLICATION FOR THE TESTING OF A SLOT MACHINE OR OTHER GAMING EQUIPMENT
44 MODEL, APPROVE OR REJECT THE SLOT MACHINE OR OTHER GAMING EQUIPMENT
45 MODEL. IN SO DOING, THE COMMISSION SHALL SPECIFY WHETHER AND TO WHAT
46 EXTENT ANY DATA FROM A PRIVATE TESTING LABORATORY OR GOVERNMENTAL AGENCY
47 OF A STATE WAS USED IN REACHING ITS CONCLUSIONS AND RECOMMENDATION. IF
48 THE COMMISSION IS UNABLE TO COMPLETE THE TESTING OF A SLOT MACHINE OR
49 OTHER GAMING EQUIPMENT MODEL WITHIN THIS SIXTY DAY PERIOD, THE COMMIS-
50 SION MAY CONDITIONALLY APPROVE THE SLOT MACHINE OR OTHER GAMING EQUIP-
51 MENT MODEL FOR TEST USE BY A GAMING FACILITY LICENSEE PROVIDED THAT THE
52 COMMISSION REPRESENTS THAT THE USE OF THE SLOT MACHINE OR OTHER GAMING
53 EQUIPMENT MODEL WILL NOT HAVE A DIRECT AND MATERIALLY ADVERSE IMPACT ON
54 THE INTEGRITY OF GAMING OR THE CONTROL OF GROSS REVENUE. THE COMMISSION
55 SHALL GIVE PRIORITY TO THE TESTING OF SLOT MACHINES OR OTHER GAMING

EQUIPMENT THAT A GAMING FACILITY LICENSEE HAS CERTIFIED IT WILL USE IN ITS GAMING FACILITY IN THIS STATE.

(C) THE COMMISSION SHALL, BY REGULATION, ESTABLISH SUCH TECHNICAL STANDARDS FOR LICENSURE OF SLOT MACHINES, INCLUDING MECHANICAL AND ELECTRICAL RELIABILITY, SECURITY AGAINST TAMPERING, THE COMPREHENSIBILITY OF WAGERING, AND NOISE AND LIGHT LEVELS, AS IT MAY DEEM NECESSARY TO PROTECT THE PLAYER FROM FRAUD OR DECEPTION AND TO INSURE THE INTEGRITY OF GAMING. THE DENOMINATIONS OF SUCH MACHINES SHALL BE SET BY THE LICENSEE; THE LICENSEE SHALL SIMULTANEOUSLY NOTIFY THE COMMISSION OF THE SETTINGS.

(D) THE COMMISSION SHALL, BY REGULATION, DETERMINE THE PERMISSIBLE NUMBER AND DENSITY OF SLOT MACHINES IN A LICENSED GAMING FACILITY SO AS TO:

(1) PROMOTE OPTIMUM SECURITY FOR GAMING FACILITY OPERATIONS;

(2) AVOID DECEPTION OR FREQUENT DISTRACTION TO PLAYERS AT GAMING TABLES;

(3) PROMOTE THE COMFORT OF PATRONS;

(4) CREATE AND MAINTAIN A GRACIOUS PLAYING ENVIRONMENT IN THE GAMING FACILITY; AND

(5) ENCOURAGE AND PRESERVE COMPETITION IN GAMING FACILITY OPERATIONS BY ASSURING THAT A VARIETY OF GAMING OPPORTUNITIES IS OFFERED TO THE PUBLIC.

ANY SUCH REGULATION PROMULGATED BY THE COMMISSION WHICH DETERMINES THE PERMISSIBLE NUMBER AND DENSITY OF SLOT MACHINES IN A LICENSED GAMING FACILITY SHALL PROVIDE THAT ALL CASINOS SHALL BE INCLUDED IN ANY CALCULATION OF THE PERMISSIBLE NUMBER AND DENSITY OF SLOT MACHINES IN A LICENSED GAMING FACILITY.

(E) ANY NEW GAMING EQUIPMENT THAT IS SUBMITTED FOR TESTING TO THE COMMISSION OR TO A STATE LICENSED INDEPENDENT TESTING LABORATORY PRIOR TO OR SIMULTANEOUSLY WITH SUBMISSION OF SUCH NEW EQUIPMENT FOR TESTING IN A JURISDICTION OTHER THAN THIS STATE, MAY, CONSISTENT WITH REGULATIONS PROMULGATED BY THE COMMISSION, BE DEPLOYED BY A GAMING FACILITY LICENSEE ON THE CASINO FOURTEEN DAYS AFTER SUBMISSION OF SUCH EQUIPMENT FOR TESTING. IF THE GAMING FACILITY OR CASINO VENDOR ENTERPRISE LICENSEE HAS NOT RECEIVED APPROVAL FOR THE EQUIPMENT FOURTEEN DAYS AFTER SUBMISSION FOR TESTING, ANY INTERESTED GAMING FACILITY LICENSEE MAY, CONSISTENT WITH COMMISSION REGULATIONS, DEPLOY THE EQUIPMENT ON A FIELD TEST BASIS, UNLESS OTHERWISE DIRECTED BY THE EXECUTIVE DIRECTOR.

9. IT SHALL BE UNLAWFUL FOR ANY PERSON TO EXCHANGE OR REDEEM CHIPS FOR ANYTHING WHATSOEVER, EXCEPT FOR CURRENCY, NEGOTIABLE PERSONAL CHECKS, NEGOTIABLE COUNTER CHECKS, OTHER CHIPS, COUPONS, SLOT VOUCHERS OR COMPLIMENTARY VOUCHERS DISTRIBUTED BY THE GAMING FACILITY LICENSEE, OR, IF AUTHORIZED BY REGULATION OF THE COMMISSION, A VALID CHARGE TO A CREDIT OR DEBIT CARD ACCOUNT. A GAMING FACILITY LICENSEE SHALL, UPON THE REQUEST OF ANY PERSON, REDEEM THAT LICENSEE'S GAMING CHIPS SURRENDERED BY THAT PERSON IN ANY AMOUNT OVER ONE HUNDRED DOLLARS WITH A CHECK DRAWN UPON THE LICENSEE'S ACCOUNT AT ANY BANKING INSTITUTION IN THIS STATE AND MADE PAYABLE TO THAT PERSON.

10. IT SHALL BE UNLAWFUL FOR ANY GAMING FACILITY LICENSEE OR ITS AGENTS OR EMPLOYEES TO EMPLOY, CONTRACT WITH, OR USE ANY SHILL OR BARKER TO INDUCE ANY PERSON TO ENTER A GAMING FACILITY OR PLAY AT ANY GAME OR FOR ANY PURPOSE WHATSOEVER.

11. IT SHALL BE UNLAWFUL FOR A DEALER IN ANY AUTHORIZED GAME IN WHICH CARDS ARE DEALT TO DEAL CARDS BY HAND OR OTHER THAN FROM A DEVICE SPECIFICALLY DESIGNED FOR THAT PURPOSE, UNLESS OTHERWISE PERMITTED BY THE RULES OF THE COMMISSION.

1 S 1336. CERTAIN WAGERING PROHIBITED. 1. IT SHALL BE UNLAWFUL FOR ANY
2 CASINO KEY EMPLOYEE LICENSEE TO WAGER IN ANY GAMING FACILITY IN THIS
3 STATE.

4 2. IT SHALL BE UNLAWFUL FOR ANY OTHER EMPLOYEE OF A GAMING FACILITY
5 LICENSEE WHO, IN THE JUDGMENT OF THE COMMISSION, IS DIRECTLY INVOLVED
6 WITH THE CONDUCT OF GAMING OPERATIONS, INCLUDING BUT NOT LIMITED TO
7 DEALERS, FLOOR PERSONS, BOX PERSONS, SECURITY AND SURVEILLANCE EMPLOY-
8 EES, TO ENGAGE IN GAMBLING IN ANY GAMING FACILITY IN WHICH THE EMPLOYEE
9 IS EMPLOYED OR IN ANY OTHER GAMING FACILITY IN THIS STATE WHICH IS OWNED
10 OR OPERATED BY THE GAMING FACILITY LICENSEE OR AN AFFILIATED LICENSEE.

11 3. THE PROHIBITION AGAINST WAGERING SET FORTH IN SUBDIVISIONS ONE AND
12 TWO OF THIS SECTION SHALL CONTINUE FOR A PERIOD OF THIRTY DAYS COMMENC-
13 ING UPON THE DATE THAT THE EMPLOYEE EITHER LEAVES EMPLOYMENT WITH A
14 GAMING FACILITY LICENSEE OR IS TERMINATED FROM EMPLOYMENT WITH A GAMING
15 FACILITY LICENSEE.

16 S 1337. GRATUITIES. 1. IT SHALL BE UNLAWFUL FOR ANY CASINO KEY
17 EMPLOYEE OR BOXMAN, FLOORMAN, OR ANY OTHER GAMING EMPLOYEE WHO SHALL
18 SERVE IN A SUPERVISORY POSITION TO SOLICIT OR ACCEPT, AND FOR ANY OTHER
19 GAMING EMPLOYEE TO SOLICIT, ANY TIP OR GRATUITY FROM ANY PLAYER OR
20 PATRON AT THE GAMING FACILITY WHERE HE IS EMPLOYED.

21 2. A DEALER MAY ACCEPT TIPS OR GRATUITIES FROM A PATRON AT THE TABLE
22 AT WHICH SUCH DEALER IS CONDUCTING PLAY, SUBJECT TO THE PROVISIONS OF
23 THIS SECTION. ALL SUCH TIPS OR GRATUITIES SHALL BE IMMEDIATELY DEPOSIT-
24 ED IN A LOCKBOX RESERVED FOR THAT PURPOSE, UNLESS THE TIP OR GRATUITY IS
25 AUTHORIZED BY A PATRON UTILIZING AN AUTOMATED WAGERING SYSTEM APPROVED
26 BY THE COMMISSION. ALL TIPS OR GRATUITIES SHALL BE ACCOUNTED FOR, AND
27 PLACED IN A POOL FOR DISTRIBUTION PRO RATA AMONG THE DEALERS, WITH THE
28 DISTRIBUTION BASED UPON THE NUMBER OF HOURS EACH DEALER HAS WORKED,
29 EXCEPT THAT THE COMMISSION MAY, BY REGULATION, PERMIT A SEPARATE POOL TO
30 BE ESTABLISHED FOR DEALERS IN THE GAME OF POKER, OR MAY PERMIT TIPS OR
31 GRATUITIES TO BE RETAINED BY INDIVIDUAL DEALERS IN THE GAME OF POKER.

32 3. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION,
33 A GAMING FACILITY LICENSEE MAY REQUIRE THAT A PERCENTAGE OF THE PRIZE
34 POOL OFFERED TO PARTICIPANTS PURSUANT TO AN AUTHORIZED POKER TOURNAMENT
35 BE WITHHELD FOR DISTRIBUTION TO THE TOURNAMENT DEALERS AS TIPS OR GRATU-
36 ITIES AS THE COMMISSION BY REGULATION MAY APPROVE.

37 S 1338. LIMITATION ON CERTAIN FINANCIAL ACCESS. IN ORDER TO PROTECT
38 THE PUBLIC INTEREST, THE COMMISSION SHALL ADOPT REGULATIONS THAT INCLUDE
39 PROVISIONS THAT:

40 1. LIMIT THE NUMBER AND LOCATION OF AND MAXIMUM WITHDRAWAL AMOUNTS
41 FROM AUTOMATED TELLER MACHINES;

42 2. PROHIBIT AUTHORIZED AUTOMATED TELLER MACHINES FROM ACCEPTING ELEC-
43 TRONIC BENEFIT CARDS, DEBIT CARDS, OR SIMILAR NEGOTIABLE INSTRUMENTS
44 ISSUED BY THE STATE OR POLITICAL SUBDIVISIONS FOR THE PURPOSE OF ACCESS-
45 ING TEMPORARY PUBLIC ASSISTANCE;

46 3. PROHIBIT THE USE OF SPECIFIED NEGOTIABLE INSTRUMENTS AT GAMING
47 FACILITIES AND THE USE OF CREDIT CARDS, DEBIT CARDS, AND SIMILAR DEVICES
48 IN SLOT MACHINES OR AT TABLE GAMES; AND

49 4. PROHIBIT CONSUMERS FROM CASHING PAYCHECKS AT GAMING FACILITIES.

50 S 1339. CREDIT. 1. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, NO
51 GAMING FACILITY LICENSEE OR ANY PERSON LICENSED UNDER THIS ARTICLE, AND
52 NO PERSON ACTING ON BEHALF OF OR UNDER ANY ARRANGEMENT WITH A GAMING
53 FACILITY LICENSEE OR OTHER PERSON LICENSED UNDER THIS ARTICLE, SHALL:

54 (A) CASH ANY CHECK, MAKE ANY LOAN, OR OTHERWISE PROVIDE OR ALLOW TO
55 ANY PERSON ANY CREDIT OR ADVANCE OF ANYTHING OF VALUE OR WHICH REPRES-

ENTS VALUE TO ENABLE ANY PERSON TO TAKE PART IN GAMING ACTIVITY AS A PLAYER; OR

(B) RELEASE OR DISCHARGE ANY DEBT, EITHER IN WHOLE OR IN PART, OR MAKE ANY LOAN WHICH REPRESENTS ANY LOSSES INCURRED BY ANY PLAYER IN GAMING ACTIVITY, WITHOUT MAINTAINING A WRITTEN RECORD THEREOF IN ACCORDANCE WITH THE RULES OF THE COMMISSION.

2. NO GAMING FACILITY LICENSEE OR ANY PERSON LICENSED UNDER THIS ARTICLE, AND NO PERSON ACTING ON BEHALF OF OR UNDER ANY ARRANGEMENT WITH A GAMING FACILITY LICENSEE OR OTHER PERSON LICENSED UNDER THIS ARTICLE, MAY ACCEPT A CHECK, OTHER THAN A RECOGNIZED TRAVELER'S CHECK OR OTHER CASH EQUIVALENT FROM ANY PERSON TO ENABLE SUCH PERSON TO TAKE PART IN GAMING ACTIVITY AS A PLAYER, OR MAY GIVE CASH OR CASH EQUIVALENTS IN EXCHANGE FOR SUCH CHECK UNLESS:

(A) THE CHECK IS MADE PAYABLE TO THE GAMING FACILITY LICENSEE;

(B) THE CHECK IS DATED, BUT NOT POSTDATED;

(C) THE CHECK IS PRESENTED TO THE CASHIER OR THE CASHIER'S REPRESENTATIVE AT A LOCATION IN THE GAMING FACILITY APPROVED BY THE COMMISSION AND IS EXCHANGED FOR CASH OR SLOT TOKENS WHICH TOTAL AN AMOUNT EQUAL TO THE AMOUNT FOR WHICH THE CHECK IS DRAWN, OR THE CHECK IS PRESENTED TO THE CASHIER'S REPRESENTATIVE AT A GAMING TABLE IN EXCHANGE FOR CHIPS WHICH TOTAL AN AMOUNT EQUAL TO THE AMOUNT FOR WHICH THE CHECK IS DRAWN; AND

(D) THE REGULATIONS CONCERNING CHECK CASHING PROCEDURES ARE OBSERVED BY THE GAMING FACILITY LICENSEE AND ITS EMPLOYEES AND AGENTS. NOTHING IN THIS SUBDIVISION SHALL BE DEEMED TO PRECLUDE THE ESTABLISHMENT OF AN ACCOUNT BY ANY PERSON WITH A GAMING FACILITY LICENSEE BY A DEPOSIT OF CASH, RECOGNIZED TRAVELER'S CHECK OR OTHER CASH EQUIVALENT, OR A CHECK WHICH MEETS THE REQUIREMENTS OF SUBDIVISION SEVEN OF THIS SECTION, OR TO PRECLUDE THE WITHDRAWAL, EITHER IN WHOLE OR IN PART, OF ANY AMOUNT CONTAINED IN SUCH ACCOUNT.

3. WHEN A GAMING FACILITY LICENSEE OR OTHER PERSON LICENSED UNDER THIS ARTICLE, OR ANY PERSON ACTING ON BEHALF OF OR UNDER ANY ARRANGEMENT WITH A GAMING FACILITY LICENSEE OR OTHER PERSON LICENSED UNDER THIS ARTICLE, CASHES A CHECK IN CONFORMITY WITH THE REQUIREMENTS OF SUBDIVISION TWO OF THIS SECTION, THE GAMING FACILITY LICENSEE SHALL CAUSE THE DEPOSIT OF SUCH CHECK IN A BANK FOR COLLECTION OR PAYMENT, OR SHALL REQUIRE AN ATTORNEY OR CASINO KEY EMPLOYEE WITH NO INCOMPATIBLE FUNCTIONS TO PRESENT SUCH CHECK TO THE DRAWER'S BANK FOR PAYMENT, WITHIN:

(A) SEVEN CALENDAR DAYS OF THE DATE OF THE TRANSACTION FOR A CHECK IN AN AMOUNT OF ONE THOUSAND DOLLARS OR LESS;

(B) FOURTEEN CALENDAR DAYS OF THE DATE OF THE TRANSACTION FOR A CHECK IN AN AMOUNT GREATER THAN ONE THOUSAND DOLLARS BUT LESS THAN OR EQUAL TO FIVE THOUSAND DOLLARS; OR

(C) FORTY-FIVE CALENDAR DAYS OF THE DATE OF THE TRANSACTION FOR A CHECK IN AN AMOUNT GREATER THAN FIVE THOUSAND DOLLARS.

NOTWITHSTANDING THE FOREGOING, THE DRAWER OF THE CHECK MAY REDEEM THE CHECK BY EXCHANGING CASH, CASH EQUIVALENTS, CHIPS, OR A CHECK WHICH MEETS THE REQUIREMENTS OF SUBDIVISION SEVEN OF THIS SECTION IN AN AMOUNT EQUAL TO THE AMOUNT FOR WHICH THE CHECK IS DRAWN; OR HE OR SHE MAY REDEEM THE CHECK IN PART BY EXCHANGING CASH, CASH EQUIVALENTS, CHIPS, OR A CHECK WHICH MEETS THE REQUIREMENTS OF SUBDIVISION SEVEN OF THIS SECTION AND ANOTHER CHECK WHICH MEETS THE REQUIREMENTS OF SUBDIVISION TWO OF THIS SECTION FOR THE DIFFERENCE BETWEEN THE ORIGINAL CHECK AND THE CASH, CASH EQUIVALENTS, CHIPS, OR CHECK TENDERED; OR HE OR SHE MAY ISSUE ONE CHECK WHICH MEETS THE REQUIREMENTS OF SUBDIVISION TWO OF THIS SECTION IN AN AMOUNT SUFFICIENT TO REDEEM TWO OR MORE CHECKS DRAWN TO

1 THE ORDER OF THE GAMING FACILITY LICENSEE. IF THERE HAS BEEN A PARTIAL
2 REDEMPTION OR A CONSOLIDATION IN CONFORMITY WITH THE PROVISIONS OF THIS
3 SUBDIVISION, THE NEWLY ISSUED CHECK SHALL BE DELIVERED TO A BANK FOR
4 COLLECTION OR PAYMENT OR PRESENTED TO THE DRAWER'S BANK FOR PAYMENT BY
5 AN ATTORNEY OR CASINO KEY EMPLOYEE WITH NO INCOMPATIBLE FUNCTIONS WITHIN
6 THE PERIOD HEREIN SPECIFIED. NO GAMING FACILITY LICENSEE OR ANY PERSON
7 LICENSED OR REGISTERED UNDER THIS ARTICLE, AND NO PERSON ACTING ON
8 BEHALF OF OR UNDER ANY ARRANGEMENT WITH A GAMING FACILITY LICENSEE OR
9 OTHER PERSON LICENSED UNDER THIS ARTICLE, SHALL ACCEPT ANY CHECK OR
10 SERIES OF CHECKS IN REDEMPTION OR CONSOLIDATION OF ANOTHER CHECK OR
11 CHECKS IN ACCORDANCE WITH THIS SUBDIVISION FOR THE PURPOSE OF AVOIDING
12 OR DELAYING THE DEPOSIT OF A CHECK IN A BANK FOR COLLECTION OR PAYMENT
13 OR THE PRESENTMENT OF THE CHECK TO THE DRAWER'S BANK WITHIN THE TIME
14 PERIOD PRESCRIBED BY THIS SUBDIVISION.

15 IN COMPUTING A TIME PERIOD PRESCRIBED BY THIS SUBDIVISION, THE LAST
16 DAY OF THE PERIOD SHALL BE INCLUDED UNLESS IT IS A SATURDAY, SUNDAY, OR
17 A STATE OR FEDERAL HOLIDAY, IN WHICH EVENT THE TIME PERIOD SHALL RUN
18 UNTIL THE NEXT BUSINESS DAY.

19 4. NO GAMING FACILITY LICENSEE OR ANY OTHER PERSON LICENSED OR REGIS-
20 TERED UNDER THIS ARTICLE, OR ANY OTHER PERSON ACTING ON BEHALF OF OR
21 UNDER ANY ARRANGEMENT WITH A GAMING FACILITY LICENSEE OR OTHER PERSON
22 LICENSED OR REGISTERED UNDER THIS ARTICLE, SHALL TRANSFER, CONVEY, OR
23 GIVE, WITH OR WITHOUT CONSIDERATION, A CHECK CASHED IN CONFORMITY WITH
24 THE REQUIREMENTS OF THIS SECTION TO ANY PERSON OTHER THAN:

25 (A) THE DRAWER OF THE CHECK UPON REDEMPTION OR CONSOLIDATION IN
26 ACCORDANCE WITH SUBDIVISION THREE OF THIS SECTION;

27 (B) A BANK FOR COLLECTION OR PAYMENT OF THE CHECK;

28 (C) A PURCHASER OF THE GAMING FACILITY LICENSE AS APPROVED BY THE
29 COMMISSION; OR

30 (D) AN ATTORNEY OR CASINO KEY EMPLOYEE WITH NO INCOMPATIBLE FUNCTIONS
31 FOR PRESENTMENT TO THE DRAWER'S BANK.

32 THE LIMITATION ON TRANSFERABILITY OF CHECKS IMPOSED HEREIN SHALL APPLY
33 TO CHECKS RETURNED BY ANY BANK TO THE GAMING FACILITY LICENSEE WITHOUT
34 FULL AND FINAL PAYMENT.

35 5. NO PERSON OTHER THAN A CASINO KEY EMPLOYEE LICENSED UNDER THIS
36 ARTICLE OR A GAMING EMPLOYEE REGISTERED UNDER THIS ARTICLE MAY ENGAGE
37 IN EFFORTS TO COLLECT UPON CHECKS THAT HAVE BEEN RETURNED BY BANKS WITH-
38 OUT FULL AND FINAL PAYMENT, EXCEPT THAT AN ATTORNEY-AT-LAW REPRESENTING
39 A GAMING FACILITY LICENSEE MAY BRING ACTION FOR SUCH COLLECTION.

40 6. NOTWITHSTANDING THE PROVISIONS OF ANY LAW TO THE CONTRARY, CHECKS
41 CASHED IN CONFORMITY WITH THE REQUIREMENTS OF THIS ARTICLE SHALL BE
42 VALID INSTRUMENTS, ENFORCEABLE AT LAW IN THE COURTS OF THIS STATE. ANY
43 CHECK CASHED, TRANSFERRED, CONVEYED OR GIVEN IN VIOLATION OF THIS ARTI-
44 CLE SHALL BE INVALID AND UNENFORCEABLE FOR THE PURPOSES OF COLLECTION
45 BUT SHALL BE INCLUDED IN THE CALCULATION OF GROSS GAMING REVENUE.

46 7. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION TWO OF THIS SECTION
47 TO THE CONTRARY, A GAMING FACILITY LICENSEE MAY ACCEPT A CHECK FROM A
48 PERSON TO ENABLE THE PERSON TO TAKE PART IN GAMING ACTIVITY AS A PLAYER,
49 MAY GIVE CASH OR CASH EQUIVALENTS IN EXCHANGE FOR SUCH A CHECK, OR MAY
50 ACCEPT A CHECK IN REDEMPTION OR PARTIAL REDEMPTION OF A CHECK ISSUED IN
51 ACCORDANCE WITH SUBDIVISION TWO OF THIS SECTION, PROVIDED THAT:

52 (A) (1) THE CHECK IS ISSUED BY A GAMING FACILITY LICENSEE, IS MADE
53 PAYABLE TO THE PERSON PRESENTING THE CHECK, AND IS ISSUED FOR A PURPOSE
54 OTHER THAN EMPLOYMENT COMPENSATION OR AS PAYMENT FOR GOODS OR SERVICES
55 RENDERED;

(2) THE CHECK IS ISSUED BY A BANKING INSTITUTION WHICH IS CHARTERED IN A COUNTRY OTHER THAN THE UNITED STATES ON ITS ACCOUNT AT A FEDERALLY CHARTERED OR STATE-CHARTERED BANK AND IS MADE PAYABLE TO "CASH," "BEARER," A GAMING FACILITY LICENSEE, OR THE PERSON PRESENTING THE CHECK;

(3) THE CHECK IS ISSUED BY A BANKING INSTITUTION WHICH IS CHARTERED IN THE UNITED STATES ON ITS ACCOUNT AT ANOTHER FEDERALLY CHARTERED OR STATE-CHARTERED BANK AND IS MADE PAYABLE TO "CASH," "BEARER," A GAMING FACILITY LICENSEE, OR THE PERSON PRESENTING THE CHECK;

(4) THE CHECK IS ISSUED BY A SLOT SYSTEM OPERATOR OR PURSUANT TO AN ANNUITY JACKPOT GUARANTEE AS PAYMENT FOR WINNINGS FROM A MULTI-CASINO PROGRESSIVE SLOT MACHINE SYSTEM JACKPOT; OR

(5) THE CHECK IS ISSUED BY AN ENTITY THAT HOLDS A GAMING FACILITY LICENSE IN ANY JURISDICTION, IS MADE PAYABLE TO THE PERSON PRESENTING THE CHECK, AND IS ISSUED FOR A PURPOSE OTHER THAN EMPLOYMENT COMPENSATION OR AS PAYMENT FOR GOODS OR SERVICES RENDERED;

(B) THE CHECK IS IDENTIFIABLE IN A MANNER APPROVED BY THE COMMISSION AS A CHECK AUTHORIZED FOR ACCEPTANCE PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION;

(C) THE CHECK IS DATED, BUT NOT POSTDATED;

(D) THE CHECK IS PRESENTED TO THE CASHIER OR THE CASHIER'S REPRESENTATIVE BY THE ORIGINAL PAYEE AND ITS VALIDITY IS VERIFIED BY THE DRAWER IN THE CASE OF A CHECK DRAWN PURSUANT TO SUBPARAGRAPH ONE OF PARAGRAPH (A) OF THIS SUBDIVISION, OR THE CHECK IS VERIFIED IN ACCORDANCE WITH REGULATIONS PROMULGATED UNDER THIS ARTICLE IN THE CASE OF A CHECK ISSUED PURSUANT TO SUBPARAGRAPH TWO, THREE, FOUR OR FIVE OF PARAGRAPH (A) OF THIS SUBDIVISION; AND

(E) THE REGULATIONS CONCERNING CHECK-CASHING PROCEDURES ARE OBSERVED BY THE GAMING FACILITY LICENSEE AND ITS EMPLOYEES AND AGENTS. NO GAMING FACILITY LICENSEE SHALL ISSUE A CHECK FOR THE PURPOSE OF MAKING A LOAN OR OTHERWISE PROVIDING OR ALLOWING ANY ADVANCE OR CREDIT TO A PERSON TO ENABLE THE PERSON TO TAKE PART IN GAMING ACTIVITY AS A PLAYER.

8. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISIONS TWO AND THREE OF THIS SECTION TO THE CONTRARY, A GAMING FACILITY LICENSEE MAY, AT A LOCATION OUTSIDE THE GAMING FACILITY, ACCEPT A PERSONAL CHECK OR CHECKS FROM A PERSON FOR UP TO FIVE THOUSAND DOLLARS IN EXCHANGE FOR CASH OR CASH EQUIVALENTS, AND MAY, AT SUCH LOCATIONS WITHIN THE GAMING FACILITY AS MAY BE PERMITTED BY THE COMMISSION, ACCEPT A PERSONAL CHECK OR CHECKS FOR UP TO FIVE THOUSAND DOLLARS IN EXCHANGE FOR CASH, CASH EQUIVALENTS, TOKENS, CHIPS, OR PLAQUES TO ENABLE THE PERSON TO TAKE PART IN GAMING ACTIVITY AS A PLAYER, PROVIDED THAT:

(A) THE CHECK IS DRAWN ON THE PATRON'S BANK OR BROKERAGE CASH MANAGEMENT ACCOUNT;

(B) THE CHECK IS FOR A SPECIFIC AMOUNT;

(C) THE CHECK IS MADE PAYABLE TO THE GAMING FACILITY LICENSEE;

(D) THE CHECK IS DATED BUT NOT POST-DATED;

(E) THE PATRON'S IDENTITY IS ESTABLISHED BY EXAMINATION OF ONE OF THE FOLLOWING: VALID CREDIT CARD, DRIVER'S LICENSE, PASSPORT, OR OTHER FORM OF IDENTIFICATION CREDENTIAL WHICH CONTAINS, AT A MINIMUM, THE PATRON'S SIGNATURE;

(F) THE CHECK IS RESTRICTIVELY ENDORSED "FOR DEPOSIT ONLY" TO THE GAMING FACILITY LICENSEE'S BANK ACCOUNT AND DEPOSITED ON THE NEXT BANKING DAY FOLLOWING THE DATE OF THE TRANSACTION;

(G) THE TOTAL AMOUNT OF PERSONAL CHECKS ACCEPTED BY ANY ONE LICENSEE PURSUANT TO THIS SUBDIVISION THAT ARE OUTSTANDING AT ANY TIME, INCLUDING THE CURRENT CHECK BEING SUBMITTED, DOES NOT EXCEED FIVE THOUSAND DOLLARS;

1 (H) THE GAMING FACILITY LICENSEE HAS A SYSTEM OF INTERNAL CONTROLS IN
2 PLACE THAT WILL ENABLE IT TO DETERMINE THE AMOUNT OF OUTSTANDING
3 PERSONAL CHECKS RECEIVED FROM ANY PATRON PURSUANT TO THIS SUBDIVISION AT
4 ANY GIVEN POINT IN TIME; AND

5 (I) THE GAMING FACILITY LICENSEE MAINTAINS A RECORD OF EACH SUCH TRAN-
6 SACTION IN ACCORDANCE WITH REGULATIONS ESTABLISHED BY THE COMMISSION.

7 9. A PERSON MAY REQUEST THE COMMISSION TO PUT THAT PERSON'S NAME ON A
8 LIST OF PERSONS TO WHOM THE EXTENSION OF CREDIT BY A GAMING FACILITY AS
9 PROVIDED IN THIS SECTION WOULD BE PROHIBITED BY SUBMITTING TO THE
10 COMMISSION THE PERSON'S NAME, ADDRESS, AND DATE OF BIRTH. THE PERSON
11 DOES NOT NEED TO PROVIDE A REASON FOR THIS REQUEST. THE COMMISSION SHALL
12 PROVIDE THIS LIST TO THE CREDIT DEPARTMENT OF EACH GAMING FACILITY;
13 NEITHER THE COMMISSION NOR THE CREDIT DEPARTMENT OF A GAMING FACILITY
14 SHALL DIVULGE THE NAMES ON THIS LIST TO ANY PERSON OR ENTITY OTHER THAN
15 THOSE PROVIDED FOR IN THIS SUBDIVISION. IF SUCH A PERSON WISHES TO HAVE
16 THAT PERSON'S NAME REMOVED FROM THE LIST, THE PERSON SHALL SUBMIT THIS
17 REQUEST TO THE COMMISSION, WHICH SHALL SO INFORM THE CREDIT DEPARTMENTS
18 OF GAMING FACILITIES NO LATER THAN THREE DAYS AFTER THE SUBMISSION OF
19 THE REQUEST.

20 S 1340. ALCOHOLIC BEVERAGES. 1. NOTWITHSTANDING ANY LAW TO THE
21 CONTRARY, THE AUTHORITY TO GRANT ANY LICENSE OR PERMIT FOR, OR TO PERMIT
22 OR PROHIBIT THE PRESENCE OF, ALCOHOLIC BEVERAGES IN, ON, OR ABOUT ANY
23 PREMISES LICENSED AS PART OF A GAMING FACILITY SHALL EXCLUSIVELY BE
24 VESTED IN THE COMMISSION.

25 2. UNLESS OTHERWISE STATED, AND EXCEPT WHERE INCONSISTENT WITH THE
26 PURPOSE OR INTENT OF THIS ARTICLE OR THE COMMON UNDERSTANDING OF USAGE
27 THEREOF, DEFINITIONS CONTAINED IN THE ALCOHOLIC BEVERAGE CONTROL LAW
28 SHALL APPLY TO THIS SECTION. ANY DEFINITION CONTAINED THEREIN SHALL
29 APPLY TO THE SAME WORD IN ANY FORM.

30 3. NOTWITHSTANDING ANY PROVISION OF THE ALCOHOLIC BEVERAGE CONTROL LAW
31 TO THE CONTRARY, THE COMMISSION SHALL HAVE THE FUNCTIONS, POWERS AND
32 DUTIES OF THE STATE LIQUOR AUTHORITY BUT ONLY WITH RESPECT TO THE ISSU-
33 ANCE, RENEWAL, TRANSFER, SUSPENSION AND REVOCATION OF LICENSES AND
34 PERMITS FOR THE SALE OF ALCOHOLIC BEVERAGES AT RETAIL FOR ON-PREMISE
35 CONSUMPTION BY ANY HOLDER OF A GAMING FACILITY LICENSE ISSUED BY THE
36 COMMISSION INCLUDING, WITHOUT LIMITATION, THE POWER TO FINE OR PENALIZE
37 A CASINO ALCOHOLIC BEVERAGE LICENSEE OR PERMITTEE; TO ENFORCE ALL STAT-
38 UTES, LAWS, RULINGS, OR REGULATIONS RELATING TO SUCH LICENSE OR PERMIT;
39 AND TO COLLECT LICENSE AND PERMIT FEES AND ESTABLISH APPLICATION STAND-
40 ARDS THEREFOR.

41 4. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE PROVISIONS OF THE
42 ALCOHOLIC BEVERAGE CONTROL LAW AND THE RULES, REGULATIONS, BULLETINS,
43 ORDERS, AND ADVISORIES PROMULGATED BY THE STATE LIQUOR AUTHORITY SHALL
44 APPLY TO ANY GAMING FACILITY HOLDING A LICENSE OR PERMIT TO SELL ALCO-
45 HOLIC BEVERAGES UNDER THIS SECTION.

46 5. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, THE COMMISSION MAY
47 PROMULGATE ANY REGULATIONS AND SPECIAL RULINGS AND FINDINGS AS MAY BE
48 NECESSARY FOR THE PROPER ENFORCEMENT, REGULATION, AND CONTROL OF ALCO-
49 HOLIC BEVERAGES IN GAMING FACILITIES WHEN THE COMMISSION FINDS THAT THE
50 UNIQUENESS OF GAMING FACILITY OPERATIONS AND THE PUBLIC INTEREST REQUIRE
51 THAT SUCH REGULATIONS, RULINGS, AND FINDINGS ARE APPROPRIATE.

52 6. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, ANY MANUFAC-
53 Turer OR WHOLESALER LICENSED UNDER THE ALCOHOLIC BEVERAGE CONTROL LAW
54 MAY AS AUTHORIZED UNDER THE ALCOHOLIC BEVERAGE CONTROL LAW, SELL ALCO-
55 HOLIC BEVERAGES TO A GAMING FACILITY HOLDING A RETAIL LICENSE OR PERMIT
56 TO SELL ALCOHOLIC BEVERAGES FOR CONSUMPTION ON THE PREMISES ISSUED UNDER

THIS SECTION, AND ANY GAMING FACILITY HOLDING A RETAIL LICENSE OR PERMIT TO SELL ALCOHOLIC BEVERAGES ISSUED UNDER THIS SECTION MAY, AS AUTHORIZED UNDER THE ALCOHOLIC BEVERAGE CONTROL LAW, PURCHASE ALCOHOLIC BEVERAGES FROM A MANUFACTURER OR WHOLESALER LICENSED UNDER THE ALCOHOLIC BEVERAGE CONTROL LAW.

7. IT SHALL BE UNLAWFUL FOR ANY PERSON, INCLUDING ANY GAMING FACILITY LICENSEE OR ANY OF ITS LESSEES, AGENTS OR EMPLOYEES, TO EXPOSE FOR SALE, SOLICIT OR PROMOTE THE SALE OF, POSSESS WITH INTENT TO SELL, SELL, GIVE, DISPENSE, OR OTHERWISE TRANSFER OR DISPOSE OF ALCOHOLIC BEVERAGES IN, ON OR ABOUT ANY PORTION OF THE PREMISES OF A GAMING FACILITY, UNLESS SAID PERSON POSSESSES A LICENSE OR PERMIT ISSUED UNDER THIS SECTION.

8. IT SHALL BE UNLAWFUL FOR ANY PERSON HOLDING A LICENSE OR PERMIT TO SELL ALCOHOLIC BEVERAGES UNDER THIS SECTION TO EXPOSE, POSSESS, SELL, GIVE, DISPENSE, TRANSFER, OR OTHERWISE DISPOSE OF ALCOHOLIC BEVERAGES, OTHER THAN WITHIN THE TERMS AND CONDITIONS OF SUCH LICENSE OR PERMIT, THE PROVISIONS OF THE ALCOHOLIC BEVERAGE CONTROL LAW, THE RULES AND REGULATIONS PROMULGATED BY THE STATE LIQUOR AUTHORITY, AND, WHEN APPLICABLE, THE REGULATIONS PROMULGATED PURSUANT TO THIS ARTICLE. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY THE HOLDER OF A LICENSE OR PERMIT ISSUED UNDER THIS SECTION MAY BE AUTHORIZED TO PROVIDE COMPLIMENTARY ALCOHOLIC BEVERAGES UNDER REGULATIONS ISSUED BY THE COMMISSION.

9. IN ISSUING A CASINO ALCOHOLIC BEVERAGE LICENSE OR PERMIT, THE COMMISSION SHALL DESCRIBE THE SCOPE OF THE PARTICULAR LICENSE OR PERMIT, AND THE RESTRICTIONS AND LIMITATIONS THEREON AS IT DEEMS NECESSARY AND REASONABLE. THE COMMISSION MAY, IN A SINGLE CASINO ALCOHOLIC BEVERAGE LICENSE, PERMIT THE HOLDER OF SUCH A LICENSE OR PERMIT TO PERFORM ANY OR ALL OF THE FOLLOWING ACTIVITIES, SUBJECT TO APPLICABLE LAWS, RULES AND REGULATIONS:

(A) TO SELL ANY ALCOHOLIC BEVERAGE BY THE GLASS OR OTHER OPEN RECEPTACLE INCLUDING, BUT NOT LIMITED TO, AN ORIGINAL CONTAINER, FOR ON-PREMISE CONSUMPTION WITHIN A FACILITY; PROVIDED, HOWEVER, THAT NO ALCOHOLIC BEVERAGE SHALL BE SOLD OR GIVEN FOR CONSUMPTION; DELIVERED OR OTHERWISE BROUGHT TO A PATRON; OR CONSUMED AT A GAMING TABLE UNLESS SO REQUESTED BY THE PATRON.

(B) TO SELL ANY ALCOHOLIC BEVERAGE BY THE GLASS OR OTHER OPEN RECEPTACLE FOR ON-PREMISE CONSUMPTION WITHIN A GAMING FACILITY.

(C) TO SELL ANY ALCOHOLIC BEVERAGE BY THE GLASS OR OTHER OPEN RECEPTACLE OR IN ORIGINAL CONTAINERS FROM A ROOM SERVICE LOCATION WITHIN AN ENCLOSED ROOM NOT IN A GAMING FACILITY; PROVIDED, HOWEVER, THAT ANY SALE OF ALCOHOLIC BEVERAGES IS DELIVERED ONLY TO A GUEST ROOM OR TO ANY OTHER ROOM IN THE GAMING FACILITY AUTHORIZED BY THE COMMISSION.

(D) TO POSSESS OR TO STORE ALCOHOLIC BEVERAGES IN ORIGINAL CONTAINERS INTENDED BUT NOT ACTUALLY EXPOSED FOR SALE AT A FIXED LOCATION ON A GAMING FACILITY PREMISES, NOT IN A GAMING FACILITY; AND TO TRANSFER OR DELIVER SUCH ALCOHOLIC BEVERAGES ONLY TO A LOCATION APPROVED PURSUANT TO THIS SECTION; PROVIDED, HOWEVER, THAT NO ACCESS TO OR FROM A STORAGE LOCATION SHALL BE PERMITTED EXCEPT DURING THE NORMAL COURSE OF BUSINESS BY EMPLOYEES OR AGENTS OF THE LICENSEE, OR BY LICENSED EMPLOYEES OR AGENTS OF WHOLESALERS OR DISTRIBUTORS LICENSED PURSUANT TO THE ALCOHOLIC BEVERAGE CONTROL LAW AND ANY APPLICABLE RULES AND REGULATIONS; AND PROVIDED FURTHER, HOWEVER, THAT NO PROVISION OF THIS SECTION SHALL BE CONSTRUED TO PROHIBIT A CASINO ALCOHOLIC BEVERAGE LICENSEE FROM OBTAINING AN OFF-SITE STORAGE LICENSE FROM THE STATE LIQUOR AUTHORITY.

10. THE COMMISSION MAY REVOKE, SUSPEND, REFUSE TO RENEW OR REFUSE TO TRANSFER ANY CASINO ALCOHOLIC BEVERAGE LICENSE OR PERMIT, AND MAY FINE

OR PENALIZE THE HOLDER OF ANY ALCOHOLIC BEVERAGE LICENSE OR PERMIT ISSUED UNDER THIS SECTION FOR VIOLATIONS OF ANY PROVISION OF THE ALCOHOLIC BEVERAGE CONTROL LAW, THE RULES AND REGULATIONS PROMULGATED BY THE STATE LIQUOR AUTHORITY, AND THE REGULATIONS PROMULGATED BY THE COMMISSION.

11. JURISDICTION OVER ALL ALCOHOLIC BEVERAGE LICENSES AND PERMITS PREVIOUSLY ISSUED WITH RESPECT TO THE GAMING FACILITY IS HEREBY VESTED IN THE COMMISSION, WHICH IN ITS DISCRETION MAY BY REGULATION PROVIDE FOR THE CONVERSION THEREOF INTO A CASINO ALCOHOLIC BEVERAGE LICENSE OR PERMIT AS PROVIDED IN THIS SECTION.

12. (A) PRIOR TO ISSUING ANY LICENSE UNDER THIS SECTION, THE COMMISSION, OR ITS DESIGNEE, SHALL CONSULT WITH THE STATE LIQUOR AUTHORITY, OR ITS DESIGNEE, TO CONFIRM THAT SUCH APPLICATION AND SUCH GAMING FACILITY CONFORMS WITH ALL APPLICABLE PROVISIONS OF THE ALCOHOLIC BEVERAGE CONTROL LAW, AND ALL APPLICABLE RULES, REGULATIONS, BULLETINS, ORDERS AND ADVISORIES PROMULGATED BY THE STATE LIQUOR AUTHORITY;

(B) PRIOR TO COMMENCING ENFORCEMENT ACTIONS AGAINST ANY GAMING FACILITY LICENSED UNDER THIS SECTION, THE COMMISSION, OR ITS DESIGNEE, SHALL CONSULT WITH THE STATE LIQUOR AUTHORITY, OR ITS DESIGNEE, WITH RESPECT TO THE APPLICATION OF THE APPLICABLE PROVISIONS OF THE ALCOHOLIC BEVERAGE CONTROL LAW, AND ALL APPLICABLE RULES, REGULATIONS, BULLETINS, ORDERS AND ADVISORIES PROMULGATED BY THE STATE LIQUOR AUTHORITY ON THE ALLEGED CONDUCT OF SUCH LICENSEE; AND

(C) THE COMMISSION, OR ITS DESIGNEE, SHALL CONSULT WITH THE STATE LIQUOR AUTHORITY, OR ITS DESIGNEE, ON A REGULAR BASIS, BUT NO LESS THAN ONCE EVERY THREE MONTHS, REGARDING ANY PENDING APPLICATIONS AND ENFORCEMENT MATTERS.

S 1341. LICENSEE LEASES AND CONTRACTS. 1. UNLESS OTHERWISE PROVIDED IN THIS SUBDIVISION, NO AGREEMENT SHALL BE LAWFUL WHICH PROVIDES FOR THE PAYMENT, HOWEVER DEFINED, OF ANY DIRECT OR INDIRECT INTEREST, PERCENTAGE OR SHARE OF: ANY MONEY OR PROPERTY GAMBLERED AT A GAMING FACILITY; ANY MONEY OR PROPERTY DERIVED FROM GAMING ACTIVITY; OR ANY REVENUES, PROFITS OR EARNINGS OF A GAMING FACILITY. NOTWITHSTANDING THE FOREGOING:

(A) AGREEMENTS WHICH PROVIDE ONLY FOR THE PAYMENT OF A FIXED SUM WHICH IS IN NO WAY AFFECTED BY THE AMOUNT OF ANY SUCH MONEY, PROPERTY, REVENUES, PROFITS OR EARNINGS SHALL NOT BE SUBJECT TO THE PROVISIONS OF THIS SUBDIVISION; AND RECEIPTS, RENTALS OR CHARGES FOR REAL PROPERTY, PERSONAL PROPERTY OR SERVICES SHALL NOT LOSE THEIR CHARACTER AS PAYMENTS OF A FIXED SUM BECAUSE OF CONTRACT, LEASE, OR LICENSE PROVISIONS FOR ADJUSTMENTS IN CHARGES, RENTALS OR FEES ON ACCOUNT OF CHANGES IN TAXES OR ASSESSMENTS, COST-OF-LIVING INDEX ESCALATIONS, EXPANSION OR IMPROVEMENT OF FACILITIES, OR CHANGES IN SERVICES SUPPLIED.

(B) AGREEMENTS BETWEEN A GAMING FACILITY LICENSEE AND A JUNKET ENTERPRISE OR JUNKET REPRESENTATIVE LICENSED, QUALIFIED OR REGISTERED IN ACCORDANCE WITH THE PROVISIONS THIS ARTICLE AND THE REGULATIONS OF THE COMMISSION WHICH PROVIDE FOR THE COMPENSATION OF THE JUNKET ENTERPRISE OR JUNKET REPRESENTATIVE BY THE GAMING FACILITY LICENSEE BASED UPON THE ACTUAL GAMING ACTIVITIES OF A PATRON PROCURED OR REFERRED BY THE JUNKET ENTERPRISE OR JUNKET REPRESENTATIVE SHALL BE LAWFUL IF FILED WITH THE COMMISSION PRIOR TO THE CONDUCT OF ANY JUNKET THAT IS GOVERNED BY THE AGREEMENT.

(C) AGREEMENTS BETWEEN A GAMING FACILITY LICENSEE AND ITS EMPLOYEES WHICH PROVIDE FOR GAMING EMPLOYEE OR CASINO KEY EMPLOYEE PROFIT SHARING SHALL BE LAWFUL IF THE AGREEMENT IS IN WRITING AND FILED WITH THE COMMISSION PRIOR TO ITS EFFECTIVE DATE. SUCH AGREEMENTS MAY BE REVIEWED BY THE COMMISSION.

1 (D) AGREEMENTS TO LEASE AN APPROVED GAMING FACILITY OR THE LAND THERE-
2 UNDER AND AGREEMENTS FOR THE COMPLETE MANAGEMENT OF ALL GAMING OPER-
3 ATIONS IN A GAMING FACILITY SHALL NOT BE SUBJECT TO THE PROVISIONS OF
4 THIS SUBDIVISION.

5 (E) AGREEMENTS WHICH PROVIDE FOR PERCENTAGE CHARGES BETWEEN THE GAMING
6 FACILITY LICENSEE AND A HOLDING COMPANY OR INTERMEDIARY COMPANY OF THE
7 GAMING FACILITY LICENSEE SHALL BE IN WRITING AND FILED WITH THE COMMIS-
8 SION BUT SHALL NOT BE SUBJECT TO THE PROVISIONS OF THIS SUBDIVISION.

9 (F) WRITTEN AGREEMENTS RELATING TO THE OPERATION OF MULTI-CASINO OR
10 MULTI-STATE PROGRESSIVE SLOT MACHINE SYSTEMS BETWEEN ONE OR MORE GAMING
11 FACILITY LICENSEES AND A LICENSED CASINO VENDOR ENTERPRISE OR AN ELIGI-
12 BLE APPLICANT FOR SUCH LICENSE, WHICH PROVIDE FOR AN INTEREST, PERCENT-
13 AGE OR SHARE OF THE GAMING FACILITY LICENSEE'S REVENUES, PROFITS OR
14 EARNINGS FROM THE OPERATION OF SUCH MULTI-CASINO OR MULTI-STATE PROGRES-
15 SIVE SLOT MACHINES TO BE PAID TO THE CASINO VENDOR ENTERPRISE LICENSEE
16 OR APPLICANT SHALL NOT BE SUBJECT TO THE PROVISIONS OF THIS SUBDIVISION
17 IF THE AGREEMENTS ARE FILED WITH AND APPROVED BY THE COMMISSION.

18 2. EACH GAMING FACILITY APPLICANT OR LICENSEE SHALL MAINTAIN, IN
19 ACCORDANCE WITH THE RULES OF THE COMMISSION, A RECORD OF EACH WRITTEN OR
20 UNWRITTEN AGREEMENT REGARDING THE REALTY, CONSTRUCTION, MAINTENANCE, OR
21 BUSINESS OF A PROPOSED OR EXISTING GAMING FACILITY OR RELATED FACILITY.
22 THE FOREGOING OBLIGATION SHALL APPLY REGARDLESS OF WHETHER THE GAMING
23 FACILITY APPLICANT OR LICENSEE IS A PARTY TO THE AGREEMENT. ANY SUCH
24 AGREEMENT MAY BE REVIEWED BY THE COMMISSION ON THE BASIS OF THE REASON-
25 ABleness OF ITS TERMS, INCLUDING THE TERMS OF COMPENSATION, AND OF THE
26 QUALIFICATIONS OF THE OWNERS, OFFICERS, EMPLOYEES, AND DIRECTORS OF ANY
27 ENTERPRISE INVOLVED IN THE AGREEMENT, WHICH QUALIFICATIONS SHALL BE
28 REVIEWED ACCORDING TO THE STANDARDS ENUMERATED IN SECTION ONE THOUSAND
29 THREE HUNDRED TWENTY-THREE OF THIS ARTICLE. IF THE COMMISSION DISAP-
30 PROVES SUCH AN AGREEMENT OR THE OWNERS, OFFICERS, EMPLOYEES, OR DIREC-
31 TORS OF ANY ENTERPRISE INVOLVED THEREIN, THE COMMISSION MAY REQUIRE ITS
32 TERMINATION.

33 EVERY AGREEMENT REQUIRED TO BE MAINTAINED, AND EVERY RELATED AGREEMENT
34 THE PERFORMANCE OF WHICH IS DEPENDENT UPON THE PERFORMANCE OF ANY SUCH
35 AGREEMENT, SHALL BE DEEMED TO INCLUDE A PROVISION TO THE EFFECT THAT, IF
36 THE COMMISSION SHALL REQUIRE TERMINATION OF AN AGREEMENT, SUCH TERMI-
37 NATION SHALL OCCUR WITHOUT LIABILITY ON THE PART OF THE GAMING FACILITY
38 APPLICANT OR LICENSEE OR ANY QUALIFIED PARTY TO THE AGREEMENT OR ANY
39 RELATED AGREEMENT. FAILURE EXPRESSLY TO INCLUDE SUCH A PROVISION IN THE
40 AGREEMENT SHALL NOT CONSTITUTE A DEFENSE IN ANY ACTION BROUGHT TO TERMI-
41 NATE THE AGREEMENT. IF THE AGREEMENT IS NOT MAINTAINED OR PRESENTED TO
42 THE COMMISSION IN ACCORDANCE WITH COMMISSION REGULATIONS, OR THE DISAP-
43 PROVED AGREEMENT IS NOT TERMINATED, THE COMMISSION MAY PURSUE ANY REMEDY
44 OR COMBINATION OF REMEDIES PROVIDED IN THIS ARTICLE.

45 FOR THE PURPOSES OF THIS SUBDIVISION, "GAMING FACILITY APPLICANT"
46 INCLUDES ANY PERSON REQUIRED TO HOLD A GAMING FACILITY LICENSE WHO HAS
47 APPLIED TO THE COMMISSION FOR A GAMING FACILITY LICENSE OR ANY APPROVAL
48 REQUIRED.

49 3. NOTHING IN THIS ARTICLE SHALL BE DEEMED TO PERMIT THE TRANSFER OF
50 ANY LICENSE, OR ANY INTEREST IN ANY LICENSE, OR ANY CERTIFICATE OF
51 COMPLIANCE OR ANY COMMITMENT OR RESERVATION WITHOUT THE APPROVAL OF THE
52 COMMISSION.

53 S 1342. REQUIRED EXCLUSION OF CERTAIN PERSONS. 1. THE COMMISSION
54 SHALL, BY REGULATION, PROVIDE FOR THE ESTABLISHMENT OF A LIST OF PERSONS
55 WHO ARE TO BE EXCLUDED OR EJECTED FROM ANY LICENSED GAMING FACILITY.

1 SUCH PROVISIONS SHALL DEFINE THE STANDARDS FOR EXCLUSION, AND SHALL
2 INCLUDE STANDARDS RELATING TO PERSONS:

3 (A) WHO ARE CAREER OR PROFESSIONAL OFFENDERS AS DEFINED BY REGULATIONS
4 PROMULGATED HEREUNDER; OR

5 (B) WHO HAVE BEEN CONVICTED OF A CRIMINAL OFFENSE UNDER THE LAWS OF
6 ANY STATE OR OF THE UNITED STATES, WHICH IS PUNISHABLE BY MORE THAN
7 TWELVE MONTHS IN PRISON, OR ANY CRIME OR OFFENSE INVOLVING MORAL TURPI-
8 TUDE.

9 THE COMMISSION SHALL PROMULGATE DEFINITIONS ESTABLISHING THOSE CATEGO-
10 RIES OF PERSONS WHO SHALL BE EXCLUDED PURSUANT TO THIS SECTION, INCLUD-
11 ING CHEATS AND PERSONS WHOSE PRIVILEGES FOR LICENSURE OR REGISTRATION
12 HAVE BEEN REVOKED.

13 2. ANY ENUMERATED CLASS LISTED IN SUBDIVISION ONE OF SECTION TWO
14 HUNDRED NINETY-SIX OF THE HUMAN RIGHTS LAW SHALL NOT BE A REASON FOR
15 PLACING THE NAME OF ANY PERSON UPON SUCH LIST.

16 3. THE COMMISSION MAY IMPOSE SANCTIONS UPON A LICENSED GAMING FACILITY
17 OR INDIVIDUAL LICENSEE OR REGISTRANT IN ACCORDANCE WITH THE PROVISIONS
18 OF THIS ARTICLE IF SUCH GAMING FACILITY OR INDIVIDUAL LICENSEE OR REGIS-
19 TRANT KNOWINGLY FAILS TO EXCLUDE OR EJECT FROM THE PREMISES OF ANY
20 LICENSED GAMING FACILITY ANY PERSON PLACED BY THE COMMISSION ON THE LIST
21 OF PERSONS TO BE EXCLUDED OR EJECTED.

22 4. ANY LIST COMPILED BY THE COMMISSION OF PERSONS TO BE EXCLUDED OR
23 EJECTED SHALL NOT BE DEEMED AN ALL-INCLUSIVE LIST, AND LICENSED GAMING
24 FACILITIES SHALL HAVE A DUTY TO KEEP FROM THEIR PREMISES PERSONS KNOWN
25 TO THEM TO BE WITHIN THE CLASSIFICATIONS DECLARED IN SUBDIVISIONS ONE
26 AND TWO OF THIS SECTION AND THE REGULATIONS PROMULGATED THEREUNDER, OR
27 KNOWN TO THEM TO BE PERSONS WHOSE PRESENCE IN A LICENSED GAMING FACILITY
28 WOULD BE INIMICAL TO THE INTEREST OF THE STATE OR OF LICENSED GAMING
29 THEREIN, OR BOTH, AS DEFINED IN STANDARDS ESTABLISHED BY THE COMMISSION.

30 5. PRIOR TO PLACING THE NAME OF ANY PERSON ON A LIST PURSUANT TO THIS
31 SECTION, THE COMMISSION SHALL SERVE NOTICE OF SUCH FACT AND OF THE
32 OPPORTUNITY FOR A HEARING TO SUCH PERSON BY PERSONAL SERVICE OR BY
33 CERTIFIED MAIL AT THE LAST KNOWN ADDRESS OF SUCH PERSON.

34 6. WITHIN THIRTY DAYS AFTER SERVICE OF THE PETITION IN ACCORDANCE WITH
35 SUBDIVISION FIVE OF THIS SECTION, THE PERSON NAMED FOR EXCLUSION OR
36 EJECTION MAY DEMAND A HEARING BEFORE THE EXECUTIVE DIRECTOR OR THE EXEC-
37 UTIVE DIRECTOR'S DESIGNEE, AT WHICH HEARING THE EXECUTIVE DIRECTOR OR
38 THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL HAVE THE AFFIRMATIVE OBLIGATION
39 TO DEMONSTRATE BY SUBSTANTIAL EVIDENCE THAT THE PERSON NAMED FOR EXCLU-
40 SION OR EJECTION SATISFIES THE CRITERIA FOR EXCLUSION ESTABLISHED BY
41 THIS SECTION AND THE APPLICABLE REGULATIONS. FAILURE TO DEMAND SUCH A
42 HEARING WITHIN THIRTY DAYS AFTER SERVICE SHALL PRECLUDE A PERSON FROM
43 HAVING AN ADMINISTRATIVE HEARING, BUT SHALL IN NO WAY AFFECT HIS OR HER
44 RIGHT TO JUDICIAL REVIEW AS PROVIDED HEREIN.

45 7. THE COMMISSION MAY MAKE A PRELIMINARY PLACEMENT ON THE LIST OF A
46 PERSON NAMED IN A PETITION FOR EXCLUSION OR EJECTION PENDING COMPLETION
47 OF A HEARING ON THE PETITION. THE HEARING ON THE APPLICATION FOR PRELIM-
48 INARY PLACEMENT SHALL BE A LIMITED PROCEEDING AT WHICH THE COMMISSION
49 SHALL HAVE THE AFFIRMATIVE OBLIGATION TO DEMONSTRATE BY SUBSTANTIAL
50 EVIDENCE THAT THE PERSON SATISFIES THE CRITERIA FOR EXCLUSION ESTAB-
51 LISHED BY THIS SECTION AND THE APPLICABLE REGULATIONS. IF A PERSON HAS
52 BEEN PLACED ON THE LIST AS A RESULT OF AN APPLICATION FOR PRELIMINARY
53 PLACEMENT, UNLESS OTHERWISE AGREED BY THE EXECUTIVE DIRECTOR AND THE
54 NAMED PERSON, A HEARING ON THE PETITION FOR EXCLUSION OR EJECTION SHALL
55 BE INITIATED WITHIN THIRTY DAYS AFTER THE RECEIPT OF A DEMAND FOR SUCH

1 HEARING OR THE DATE OF PRELIMINARY PLACEMENT ON THE LIST, WHICHEVER IS
2 LATER.

3 8. IF, UPON COMPLETION OF THE HEARING ON THE PETITION FOR EXCLUSION OR
4 EJECTION, THE EXECUTIVE DIRECTOR DETERMINES THAT THE PERSON NAMED THERE-
5 IN DOES NOT SATISFY THE CRITERIA FOR EXCLUSION ESTABLISHED BY THIS
6 SECTION AND THE APPLICABLE REGULATIONS, THE EXECUTIVE DIRECTOR SHALL
7 ISSUE AN ORDER DENYING THE PETITION. IF THE PERSON NAMED IN THE PETITION
8 FOR EXCLUSION OR EJECTION HAD BEEN PLACED ON THE LIST AS A RESULT OF AN
9 APPLICATION FOR PRELIMINARY PLACEMENT, THE EXECUTIVE DIRECTOR SHALL
10 NOTIFY ALL GAMING FACILITY LICENSEES OF THE PERSON'S REMOVAL FROM THE
11 LIST.

12 9. IF, UPON COMPLETION OF A HEARING ON THE PETITION FOR EXCLUSION OR
13 EJECTION, THE EXECUTIVE DIRECTOR DETERMINES THAT PLACEMENT OF THE NAME
14 OF THE PERSON ON THE EXCLUSION LIST IS APPROPRIATE, THE EXECUTIVE DIREC-
15 TOR SHALL MAKE AND ENTER AN ORDER TO THAT EFFECT, WHICH ORDER SHALL BE
16 SERVED ON ALL GAMING FACILITY LICENSEES. SUCH ORDER SHALL BE SUBJECT TO
17 REVIEW BY THE COMMISSION IN ACCORDANCE WITH REGULATIONS PROMULGATED
18 THEREUNDER, WHICH FINAL DECISION SHALL BE SUBJECT TO REVIEW PURSUANT TO
19 ARTICLE SEVENTY-EIGHT OF THE CIVIL PRACTICE LAW AND RULES.

20 S 1343. EXCLUSION, EJECTION OF CERTAIN PERSONS. 1. A GAMING FACILITY
21 LICENSEE MAY EXCLUDE OR EJECT FROM ITS GAMING FACILITY ANY PERSON WHO IS
22 KNOWN TO IT TO HAVE BEEN CONVICTED OF A CRIME OR DISORDERLY CONDUCT
23 COMMITTED IN OR ON THE PREMISES OF ANY GAMING FACILITY.

24 2. NOTHING IN THIS SECTION OR IN ANY OTHER LAW OF THIS STATE SHALL
25 LIMIT THE RIGHT OF A GAMING FACILITY LICENSEE TO EXERCISE ITS COMMON LAW
26 RIGHT TO EXCLUDE OR EJECT PERMANENTLY FROM ITS GAMING FACILITY ANY
27 PERSON WHO DISRUPTS THE OPERATIONS OF ITS PREMISES, THREATENS THE SECU-
28 RITY OF ITS PREMISES OR ITS OCCUPANTS, OR IS DISORDERLY OR INTOXICATED.

29 S 1344. LIST OF PERSONS SELF-EXCLUDED FROM GAMING ACTIVITIES. 1. THE
30 COMMISSION SHALL PROVIDE BY REGULATION FOR THE ESTABLISHMENT OF A LIST
31 OF PERSONS SELF-EXCLUDED FROM GAMING ACTIVITIES AT ALL LICENSED GAMING
32 FACILITIES. ANY PERSON MAY REQUEST PLACEMENT ON THE LIST OF SELF-EXCLUD-
33 ED PERSONS BY ACKNOWLEDGING IN A MANNER TO BE ESTABLISHED BY THE COMMIS-
34 SION THAT THE PERSON IS A PROBLEM GAMBLER AND BY AGREEING THAT, DURING
35 ANY PERIOD OF VOLUNTARY EXCLUSION, THE PERSON MAY NOT COLLECT ANY
36 WINNINGS OR RECOVER ANY LOSSES RESULTING FROM ANY GAMING ACTIVITY AT
37 SUCH GAMING FACILITIES.

38 2. THE REGULATIONS OF THE COMMISSION SHALL ESTABLISH PROCEDURES FOR
39 PLACEMENTS ON, AND REMOVALS FROM, THE LIST OF SELF-EXCLUDED PERSONS.
40 SUCH REGULATIONS SHALL ESTABLISH PROCEDURES FOR THE TRANSMITTAL TO
41 LICENSED GAMING FACILITIES OF IDENTIFYING INFORMATION CONCERNING
42 SELF-EXCLUDED PERSONS, AND SHALL REQUIRE LICENSED GAMING FACILITIES TO
43 ESTABLISH PROCEDURES DESIGNED, AT A MINIMUM, TO REMOVE SELF-EXCLUDED
44 PERSONS FROM TARGETED MAILINGS OR OTHER FORMS OF ADVERTISING OR
45 PROMOTIONS AND DENY SELF-EXCLUDED PERSONS ACCESS TO CREDIT, COMPLIMENTA-
46 RIES, CHECK CASHING PRIVILEGES, CLUB PROGRAMS, AND OTHER SIMILAR BENE-
47 FITS.

48 3. A LICENSED GAMING FACILITY OR EMPLOYEE THEREOF ACTING REASONABLY
49 AND IN GOOD FAITH SHALL NOT BE LIABLE TO ANY SELF-EXCLUDED PERSON OR TO
50 ANY OTHER PARTY IN ANY JUDICIAL PROCEEDING FOR ANY HARM, MONETARY OR
51 OTHERWISE, WHICH MAY ARISE AS A RESULT OF:

52 (A) THE FAILURE OF A LICENSED GAMING FACILITY TO WITHHOLD GAMING PRIV-
53 ILEGES FROM, OR RESTORE GAMING PRIVILEGES TO, A SELF-EXCLUDED PERSON; OR

54 (B) OTHERWISE PERMITTING A SELF-EXCLUDED PERSON TO ENGAGE IN GAMING
55 ACTIVITY IN SUCH LICENSED GAMING FACILITY WHILE ON THE LIST OF SELF-EX-
56 CLUDED PERSONS.

1 4. NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE COMMISSION'S
2 LIST OF SELF-EXCLUDED PERSONS SHALL NOT BE OPEN TO PUBLIC INSPECTION.
3 NOTHING HEREIN, HOWEVER, SHALL BE CONSTRUED TO PROHIBIT A GAMING FACILI-
4 TY LICENSEE FROM DISCLOSING THE IDENTITY OF PERSONS SELF-EXCLUDED PURSU-
5 ANT TO THIS SECTION TO AFFILIATED GAMING ENTITIES IN THIS STATE OR OTHER
6 JURISDICTIONS FOR THE LIMITED PURPOSE OF ASSISTING IN THE PROPER ADMIN-
7 ISTRATION OF RESPONSIBLE GAMING PROGRAMS OPERATED BY SUCH GAMING AFFIL-
8 IATED ENTITIES.

9 5. A LICENSED GAMING FACILITY OR EMPLOYEE THEREOF SHALL NOT BE LIABLE
10 TO ANY SELF-EXCLUDED PERSON OR TO ANY OTHER PARTY IN ANY JUDICIAL
11 PROCEEDING FOR ANY HARM, MONETARY OR OTHERWISE, WHICH MAY ARISE AS A
12 RESULT OF DISCLOSURE OR PUBLICATION IN ANY MANNER, OTHER THAN A WILLFUL-
13 LY UNLAWFUL DISCLOSURE OR PUBLICATION, OF THE IDENTITY OF ANY SELF-EX-
14 CLUDED PERSON.

15 S 1345. EXCLUDED PERSON; FORFEITURE OF WINNINGS; OTHER SANCTIONS. 1.
16 A PERSON WHO IS PROHIBITED FROM GAMING IN A LICENSED GAMING FACILITY BY
17 ANY ORDER OF THE EXECUTIVE DIRECTOR, COMMISSION OR COURT OF COMPETENT
18 JURISDICTION, INCLUDING ANY PERSON ON THE SELF-EXCLUSION LIST PURSUANT
19 TO SUBDIVISION ONE OF SECTION ONE THOUSAND THREE HUNDRED FORTY-FOUR OF
20 THIS TITLE, SHALL NOT COLLECT, IN ANY MANNER OR PROCEEDING, ANY WINNINGS
21 OR RECOVER ANY LOSSES ARISING AS A RESULT OF ANY PROHIBITED GAMING
22 ACTIVITY.

23 2. FOR THE PURPOSES THIS SECTION, ANY GAMING ACTIVITY IN A LICENSED
24 GAMING FACILITY WHICH RESULTS IN A PROHIBITED PERSON OBTAINING ANY MONEY
25 OR THING OF VALUE FROM, OR BEING OWED ANY MONEY OR THING OF VALUE BY,
26 THE GAMING FACILITY SHALL BE CONSIDERED, SOLELY FOR PURPOSES OF THIS
27 SECTION, TO BE A FULLY EXECUTED GAMBLING TRANSACTION.

28 3. IN ADDITION TO ANY OTHER PENALTY PROVIDED BY LAW, ANY MONEY OR
29 THING OF VALUE WHICH HAS BEEN OBTAINED BY, OR IS OWED TO, ANY PROHIBITED
30 PERSON BY A LICENSED GAMING FACILITY AS A RESULT OF WAGERS MADE BY A
31 PROHIBITED PERSON SHALL BE SUBJECT TO FORFEITURE FOLLOWING NOTICE TO THE
32 PROHIBITED PERSON AND OPPORTUNITY TO BE HEARD. A LICENSED GAMING FACILI-
33 TY SHALL INFORM A PROHIBITED PERSON OF THE AVAILABILITY OF SUCH NOTICE
34 ON THE COMMISSION'S WEBSITE WHEN EJECTING THE PROHIBITED PERSON AND
35 SEIZING ANY CHIPS, VOUCHERS OR OTHER REPRESENTATIVE OF MONEY OWED BY A
36 GAMING FACILITY TO THE PROHIBITED PERSON AS AUTHORIZED BY THIS SUBDIVI-
37 SION. ALL FORFEITED AMOUNTS SHALL BE DEPOSITED INTO THE COMMERCIAL
38 GAMING REVENUE FUND.

39 4. IN ANY PROCEEDING BROUGHT BY THE COMMISSION AGAINST A LICENSEE OR
40 REGISTRANT FOR A WILLFUL VIOLATION OF THE COMMISSION'S SELF-EXCLUSION
41 REGULATIONS, THE COMMISSION MAY ORDER, IN ADDITION TO ANY OTHER SANCTION
42 AUTHORIZED, AN ADDITIONAL FINE OF DOUBLE THE AMOUNT OF ANY MONEY OR
43 THING OF VALUE OBTAINED BY THE LICENSEE OR REGISTRANT FROM ANY SELF-EX-
44 CLUDED PERSON. ANY MONEY OR THING OF VALUE SO FORFEITED SHALL BE
45 DISPOSED OF IN THE SAME MANNER AS ANY MONEY OR THING OF VALUE FORFEITED
46 PURSUANT TO SUBDIVISION THREE OF THIS SECTION.

47 S 1346. LABOR PEACE AGREEMENTS FOR CERTAIN FACILITIES. 1. AS USED IN
48 THIS SECTION:

49 (A) "GAMING FACILITY" MEANS ANY GAMING FACILITY LICENSED PURSUANT TO
50 THIS ARTICLE OR A VIDEO LOTTERY GAMING FACILITY AS MAY BE AUTHORIZED BY
51 PARAGRAPH THREE OF SUBDIVISION (A) OF SECTION ONE THOUSAND SIX HUNDRED
52 SEVENTEEN-A OF THE TAX LAW, AS AMENDED BY SECTION NINETEEN OF THE CHAP-
53 TER OF THE LAWS OF TWO THOUSAND THIRTEEN THAT ADDED THIS SECTION
54 LICENSED BY THE COMMISSION. A GAMING FACILITY SHALL NOT INCLUDE ANY
55 HORSE RACING, BINGO OR CHARITABLE GAMES OF CHANCE, THE STATE LOTTERY FOR
56 EDUCATION, OR ANY GAMING FACILITY OPERATING PURSUANT TO THE FEDERAL

1 INDIAN GAMING REGULATORY ACT, 25 U.S.C. S 2710 ET SEQ. A GAMING FACILITY
2 SHALL INCLUDE ANY HOSPITALITY OPERATION AT OR RELATED TO THE GAMING
3 FACILITY.

4 (B) "LABOR PEACE AGREEMENT" MEANS AN AGREEMENT ENFORCEABLE UNDER 29
5 U.S.C. S 185(A) THAT, AT A MINIMUM, PROTECTS THE STATE'S PROPRIETARY
6 INTERESTS BY PROHIBITING LABOR ORGANIZATIONS AND MEMBERS FROM ENGAGING
7 IN PICKETING, WORK STOPPAGES, BOYCOTTS, AND ANY OTHER ECONOMIC INTERFER-
8 ENCE WITH OPERATION OF THE RELEVANT GAMING FACILITY.

9 (C) "LICENSE" MEANS ANY PERMIT, LICENSE, FRANCHISE OR ALLOWANCE OF THE
10 COMMISSION AND SHALL INCLUDE ANY FRANCHISEE OR PERMITTEE.

11 (D) "PROPRIETARY INTEREST" MEANS AN ECONOMIC AND NON-REGULATORY INTER-
12 EST AT RISK IN THE FINANCIAL SUCCESS OF THE GAMING FACILITY THAT COULD
13 BE ADVERSELY AFFECTED BY LABOR-MANAGEMENT CONFLICT, INCLUDING BUT NOT
14 LIMITED TO PROPERTY INTERESTS, FINANCIAL INVESTMENTS AND REVENUE SHAR-
15 ING.

16 2. THE STATE LEGISLATURE FINDS THAT THE GAMING INDUSTRY CONSTITUTES A
17 VITAL SECTOR OF NEW YORK'S OVERALL ECONOMY AND THAT THE STATE THROUGH
18 ITS OPERATION OF LOTTERIES AND VIDEO LOTTERY FACILITIES AND THROUGH ITS
19 OWNERSHIP OF THE PROPERTIES UTILIZED FOR HORSE RACING BY THE NEW YORK
20 RACING ASSOCIATION INC. HAS A SIGNIFICANT AND ONGOING ECONOMIC AND NON-
21 REGULATORY INTEREST IN THE FINANCIAL VIABILITY AND COMPETITIVENESS OF
22 THE GAMING INDUSTRY. THE STATE LEGISLATURE FURTHER FINDS THAT THE AWARD
23 OR GRANT OF A LICENSE BY THE COMMISSION TO OPERATE A GAMING FACILITY IS
24 A SIGNIFICANT STATE ACTION AND THAT THE COMMISSION MUST MAKE PRUDENT AND
25 EFFICIENT DECISIONS TO MAXIMIZE THE BENEFITS AND MINIMIZE THE RISKS OF
26 GAMING. THE STATE LEGISLATURE FURTHER RECOGNIZES THAT CASINO GAMING
27 INDUSTRY INTEGRATION CAN PROVIDE A VITAL ECONOMIC ENGINE TO ASSIST,
28 NURTURE, DEVELOP, AND PROMOTE REGIONAL ECONOMIC DEVELOPMENT, THE STATE
29 TOURISM INDUSTRY AND THE GROWTH OF JOBS IN THE STATE. ADDITIONALLY, THE
30 STATE LEGISLATURE ALSO FINDS REVENUES DERIVED DIRECTLY BY THE STATE FROM
31 SUCH GAMING ACTIVITY WILL BE SHARED FROM GROSS GAMING RECEIPTS, AFTER
32 PAYOUT OF PRIZES BUT PRIOR TO DEDUCTIONS FOR OPERATIONAL EXPENSES.

33 THEREFORE, THE STATE LEGISLATURE FINDS THAT THE STATE HAS A SUBSTAN-
34 TIAL AND COMPELLING PROPRIETARY INTEREST IN ANY LICENSE AWARDED FOR THE
35 OPERATION OF A GAMING FACILITY WITHIN THE STATE.

36 3. THE COMMISSION SHALL REQUIRE ANY APPLICANT FOR A GAMING FACILITY
37 LICENSE WHO HAS NOT YET ENTERED INTO A LABOR PEACE AGREEMENT TO PRODUCE
38 AN AFFIDAVIT STATING IT SHALL ENTER INTO A LABOR PEACE AGREEMENT WITH
39 LABOR ORGANIZATIONS THAT ARE ACTIVELY ENGAGED IN REPRESENTING OR
40 ATTEMPTING TO REPRESENT GAMING OR HOSPITALITY INDUSTRY WORKERS IN THE
41 STATE. IN ORDER FOR THE COMMISSION TO ISSUE A GAMING FACILITY LICENSE
42 AND FOR OPERATIONS TO COMMENCE, THE APPLICANT FOR A GAMING FACILITY
43 LICENSE MUST PRODUCE DOCUMENTATION THAT IT HAS ENTERED INTO A LABOR
44 PEACE AGREEMENT WITH EACH LABOR ORGANIZATION THAT IS ACTIVELY ENGAGED IN
45 REPRESENTING AND ATTEMPTING TO REPRESENT GAMING AND HOSPITALITY INDUSTRY
46 WORKERS IN THE STATE. THE COMMISSION SHALL MAKE THE MAINTENANCE OF SUCH
47 A LABOR PEACE AGREEMENT AN ONGOING MATERIAL CONDITION OF LICENSURE.

48 A LICENSE HOLDER SHALL, AS A CONDITION OF ITS LICENSE, ENSURE THAT
49 OPERATIONS AT THE GAMING FACILITY THAT ARE CONDUCTED BY CONTRACTORS,
50 SUBCONTRACTORS, LICENSEES, ASSIGNEES, TENANTS OR SUBTENANTS AND THAT
51 INVOLVE GAMING OR HOSPITALITY INDUSTRY EMPLOYEES SHALL BE DONE UNDER A
52 LABOR PEACE AGREEMENT CONTAINING THE SAME PROVISIONS AS SPECIFIED ABOVE.

53 4. IF OTHERWISE APPLICABLE, CAPITAL PROJECTS UNDERTAKEN BY A GAMING
54 FACILITY SHALL BE SUBJECT TO ARTICLE EIGHT OF THE LABOR LAW AND SHALL BE
55 SUBJECT TO THE ENFORCEMENT OF PREVAILING WAGE REQUIREMENTS BY THE
56 DEPARTMENT OF LABOR.

1 5. IF OTHERWISE APPLICABLE, CAPITAL PROJECTS UNDERTAKEN BY A GAMING
2 FACILITY SHALL BE SUBJECT TO SECTION ONE HUNDRED THIRTY- FIVE OF THE
3 STATE FINANCE LAW.

4 6. IF OTHERWISE APPLICABLE, ANY GAMING FACILITY ENTERING INTO A
5 CONTRACT FOR A GAMING FACILITY CAPITOL PROJECT SHALL BE DEEMED TO BE A
6 STATE AGENCY, AND SUCH CONTRACT SHALL BE DEEMED TO BE A STATE CONTRACT,
7 FOR PURPOSES OF ARTICLE FIFTEEN-A OF THE EXECUTIVE LAW AND SECTION TWO
8 HUNDRED TWENTY-TWO OF THE LABOR LAW.

9 TITLE 6

10 TAXATION AND FEES

11 SECTION 1348. MACHINE AND TABLE FEES.

12 1349. REGULATORY INVESTIGATORY FEES.

13 1350. ADDITIONAL REGULATORY COSTS.

14 1351. TAX ON GAMING REVENUES; PERMISSIVE SUPPLEMENTAL FEE.

15 1352. COMMERCIAL GAMING REVENUE FUND.

16 1353. DETERMINATION OF TAX LIABILITY.

17 1354. UNCLAIMED FUNDS.

18 1355. RACING SUPPORT PAYMENTS.

19 S 1348. MACHINE AND TABLE FEES. IN ADDITION TO ANY OTHER TAX OR FEE
20 IMPOSED BY THIS ARTICLE, THERE SHALL BE IMPOSED AN ANNUAL LICENSE FEE OF
21 FIVE HUNDRED DOLLARS FOR EACH SLOT MACHINE AND TABLE APPROVED BY THE
22 COMMISSION FOR USE BY A GAMING LICENSEE AT A GAMING FACILITY; PROVIDED,
23 HOWEVER, THAT NOT SOONER THAN FIVE YEARS AFTER AWARD OF AN ORIGINAL
24 GAMING LICENSE, THE COMMISSION MAY ANNUALLY ADJUST THE FEE FOR
25 INFLATION. THE FEE SHALL BE IMPOSED AS OF JULY FIRST OF EACH YEAR FOR
26 ALL APPROVED SLOT MACHINES AND TABLES ON THAT DATE AND SHALL BE ASSESSED
27 ON A PRO RATA BASIS FOR ANY SLOT MACHINE OR TABLE APPROVED FOR USE THER-
28 EAFTER.

29 SUCH ASSESSED FEES SHALL BE DEPOSITED INTO THE COMMERCIAL GAMING
30 REVENUE FUND ESTABLISHED PURSUANT TO SECTION ONE THOUSAND THREE HUNDRED
31 FIFTY-TWO OF THIS ARTICLE.

32 S 1349. REGULATORY INVESTIGATORY FEES. THE COMMISSION MAY ESTABLISH
33 FEES FOR ANY INVESTIGATION INTO A VIOLATION OF THIS ARTICLE OR REGU-
34 LATION PROMULGATED HEREUNDER BY A GAMING FACILITY LICENSEE TO BE PAID BY
35 THE GAMING FACILITY LICENSEE INCLUDING, BUT NOT LIMITED TO, BILLABLE
36 HOURS BY COMMISSION STAFF INVOLVED IN THE INVESTIGATION AND THE COSTS OF
37 SERVICES, EQUIPMENT OR OTHER EXPENSES THAT ARE INCURRED BY THE COMMIS-
38 SION DURING THE INVESTIGATION.

39 S 1350. ADDITIONAL REGULATORY COSTS. 1. ANY REMAINING COSTS OF THE
40 COMMISSION NECESSARY TO MAINTAIN REGULATORY CONTROL OVER GAMING FACILI-
41 TIES THAT ARE NOT COVERED BY THE FEES SET FORTH IN SECTION ONE THOUSAND
42 THREE HUNDRED FORTY-NINE OF THIS TITLE; ANY OTHER FEES ASSESSED UNDER
43 THIS ARTICLE; OR ANY OTHER DESIGNATED SOURCES OF FUNDING, SHALL BE
44 ASSESSED ANNUALLY ON GAMING LICENSEES UNDER THIS ARTICLE IN PROPORTION
45 TO THE NUMBER OF GAMING POSITIONS AT EACH GAMING FACILITY. EACH GAMING
46 LICENSEE SHALL PAY THE AMOUNT ASSESSED AGAINST IT WITHIN THIRTY DAYS
47 AFTER THE DATE OF THE NOTICE OF ASSESSMENT FROM THE COMMISSION.

48 2. IF THE FEES COLLECTED IN SECTION ONE THOUSAND THREE HUNDRED FORTY-
49 NINE OF THIS TITLE EXCEED THE COST REQUIRED TO MAINTAIN REGULATORY
50 CONTROL, THE SURPLUS FUNDS SHALL BE CREDITED IN PROPORTIONAL SHARES
51 AGAINST EACH GAMING LICENSEE'S NEXT ASSESSMENT.

52 S 1351. TAX ON GAMING REVENUES; PERMISSIVE SUPPLEMENTAL FEE. 1. FOR A
53 GAMING FACILITY IN ZONE TWO, THERE IS HEREBY IMPOSED A TAX ON GROSS
54 GAMING REVENUES. THE AMOUNT OF SUCH TAX IMPOSED SHALL BE AS FOLLOWS;
55 PROVIDED, HOWEVER, SHOULD A LICENSEE HAVE AGREED WITHIN ITS APPLICATION
56 TO SUPPLEMENT THE TAX WITH A BINDING SUPPLEMENTAL FEE PAYMENT EXCEEDING

THE AFOREMENTIONED TAX RATE, SUCH TAX AND SUPPLEMENTAL FEE SHALL APPLY FOR A GAMING FACILITY:

(A) IN REGION TWO, FORTY-FIVE PERCENT OF GROSS GAMING REVENUE FROM SLOT MACHINES AND TEN PERCENT OF GROSS GAMING REVENUE FROM ALL OTHER SOURCES.

(B) IN REGION ONE, THIRTY-NINE PERCENT OF GROSS GAMING REVENUE FROM SLOT MACHINES AND TEN PERCENT OF GROSS GAMING REVENUE FROM ALL OTHER SOURCES.

(C) IN REGION FIVE, THIRTY-SEVEN PERCENT OF GROSS GAMING REVENUE FROM SLOT MACHINES AND TEN PERCENT OF GROSS GAMING REVENUE FROM ALL OTHER SOURCES.

S 1352. COMMERCIAL GAMING REVENUE FUND. 1. THE COMMISSION SHALL PAY INTO AN ACCOUNT, TO BE KNOWN AS THE COMMERCIAL GAMING REVENUE FUND AS ESTABLISHED PURSUANT TO SECTION NINETY-SEVEN-NNNN OF THE STATE FINANCE LAW, UNDER THE JOINT CUSTODY OF THE COMPTROLLER AND THE COMMISSIONER OF TAXATION AND FINANCE, ALL TAXES AND FEES IMPOSED BY THIS ARTICLE; ANY INTEREST AND PENALTIES IMPOSED BY THE COMMISSION RELATING TO THOSE TAXES; THE APPROPRIATE PERCENTAGE OF THE VALUE OF EXPIRED GAMING RELATED OBLIGATIONS; ALL PENALTIES LEVIED AND COLLECTED BY THE COMMISSION; AND THE APPROPRIATE FUNDS, CASH OR PRIZES FORFEITED FROM GAMBLING ACTIVITY.

2. THE COMMISSION SHALL REQUIRE AT LEAST MONTHLY DEPOSITS BY THE LICENSEE OF ANY PAYMENTS PURSUANT TO SECTION ONE THOUSAND THREE HUNDRED FIFTY-ONE OF THIS ARTICLE, AT SUCH TIMES, UNDER SUCH CONDITIONS, AND IN SUCH DEPOSITORIES AS SHALL BE PRESCRIBED BY THE STATE COMPTROLLER. THE DEPOSITS SHALL BE DEPOSITED TO THE CREDIT OF THE COMMERCIAL GAMING REVENUE FUND AS ESTABLISHED BY SECTION NINETY-SEVEN-NNNN OF THE STATE FINANCE LAW. THE COMMISSION MAY REQUIRE A MONTHLY REPORT AND RECONCILIATION STATEMENT TO BE FILED WITH IT ON OR BEFORE THE TENTH DAY OF EACH MONTH, WITH RESPECT TO GROSS REVENUES AND DEPOSITS RECEIVED AND MADE, RESPECTIVELY, DURING THE PRECEDING MONTH.

S 1353. DETERMINATION OF TAX LIABILITY. THE COMMISSION MAY PERFORM AUDITS OF THE BOOKS AND RECORDS OF A GAMING FACILITY LICENSEE, AT SUCH TIMES AND INTERVALS AS IT DEEMS APPROPRIATE, FOR THE PURPOSE OF DETERMINING THE SUFFICIENCY OF TAX OR FEE PAYMENTS. IF A RETURN OR DEPOSIT REQUIRED WITH REGARD TO OBLIGATIONS IMPOSED IS NOT FILED OR PAID, OR IF A RETURN OR DEPOSIT WHEN FILED OR PAID IS DETERMINED BY THE COMMISSION TO BE INCORRECT OR INSUFFICIENT WITH OR WITHOUT AN AUDIT, THE AMOUNT OF TAX, FEE OR DEPOSIT DUE SHALL BE DETERMINED BY THE COMMISSION. NOTICE OF SUCH DETERMINATION SHALL BE GIVEN TO THE LICENSEE LIABLE FOR THE PAYMENT OF THE TAX OR FEE OR DEPOSIT. SUCH DETERMINATION SHALL FINALLY AND IRREVOCABLY FIX THE TAX OR FEE UNLESS THE PERSON AGAINST WHOM IT IS ASSESSED, WITHIN THIRTY DAYS AFTER RECEIVING NOTICE OF SUCH DETERMINATION, SHALL APPLY TO THE COMMISSION FOR A HEARING IN ACCORDANCE WITH THE REGULATIONS OF THE COMMISSION.

S 1354. UNCLAIMED FUNDS. UNCLAIMED FUNDS, CASH AND PRIZES SHALL BE RETAINED BY THE GAMING FACILITY LICENSEE FOR THE PERSON ENTITLED TO THE FUNDS, CASH OR PRIZE FOR ONE YEAR AFTER THE GAME IN WHICH THE FUNDS, CASH OR PRIZE WAS WON. IF NO CLAIM IS MADE FOR THE FUNDS, CASH OR PRIZE WITHIN ONE YEAR, THE FUNDS, CASH OR EQUIVALENT CASH VALUE OF THE PRIZE SHALL BE DEPOSITED IN THE COMMERCIAL GAMING REVENUE FUND.

S 1355. RACING SUPPORT PAYMENTS. 1. IF AN APPLICANT WHO POSSESSES A PARI-MUTUEL WAGERING FRANCHISE OR LICENSE AWARDED PURSUANT TO ARTICLE TWO OR THREE OF THIS CHAPTER, OR WHO POSSESSED IN TWO THOUSAND THIRTEEN A FRANCHISE OR A LICENSE AWARDED PURSUANT TO ARTICLE TWO OR THREE OF THIS CHAPTER OR IS AN ARTICULATED ENTITY OR SUCH APPLICANT, IS ISSUED A GAMING FACILITY LICENSE PURSUANT TO THIS ARTICLE, THE LICENSEE SHALL:

(A) MAINTAIN PAYMENTS MADE FROM VIDEO LOTTERY GAMING OPERATIONS TO THE RELEVANT HORSEMEN AND BREEDERS ORGANIZATIONS AT THE SAME DOLLAR LEVEL REALIZED IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED ANNUALLY PURSUANT TO CHANGES IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF LABOR BUREAU OF LABOR STATISTICS;

(B) ALL RACETRACKS LOCATIONS AWARDED A GAMING FACILITY LICENSE SHALL MAINTAIN RACING ACTIVITY AND RACE DATES PURSUANT TO ARTICLES TWO AND THREE OF THIS CHAPTER.

2. IF AN APPLICANT THAT DOES NOT POSSESS EITHER A PARI-MUTUEL WAGERING LICENSE OR FRANCHISE AWARDED PURSUANT TO ARTICLE TWO OR THREE OF THIS CHAPTER IS ISSUED A GAMING FACILITY LICENSE PURSUANT TO THIS ARTICLE, THE LICENSEE SHALL PAY:

(A) AN AMOUNT TO HORSEMEN FOR PURSES AT THE LICENSED RACETRACKS IN THE REGION THAT WILL ASSURE THE PURSE SUPPORT FROM VIDEO LOTTERY GAMING FACILITIES IN THE REGION TO THE LICENSED RACETRACKS IN THE REGION TO BE MAINTAINED AT THE SAME DOLLAR LEVELS REALIZED IN TWO THOUSAND THIRTEEN TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF LABOR BUREAU OF LABOR STATISTICS; AND

(B) AMOUNTS TO THE AGRICULTURAL AND NEW YORK STATE HORSE BREEDING DEVELOPMENT FUND AND THE NEW YORK STATE THOROUGHBRED BREEDING AND DEVELOPMENT FUND TO MAINTAIN PAYMENTS FROM VIDEO LOTTERY GAMING FACILITIES IN THE REGION TO SUCH FUNDS TO BE MAINTAINED AT THE SAME DOLLAR LEVELS REALIZED IN TWO THOUSAND THIRTEEN TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF LABOR BUREAU OF LABOR STATISTICS.

TITLE 7

PROBLEM GAMBLING

SECTION 1362. PREVENTION AND OUTREACH EFFORTS.

1363. ADVERTISING RESTRICTIONS.

S 1362. PREVENTION AND OUTREACH EFFORTS. 1. EACH GAMING FACILITY LICENSEE, MANAGEMENT COMPANY, AND HOLDING COMPANY INVOLVED IN THE APPLICATION AND OWNERSHIP OR MANAGEMENT OF A GAMING FACILITY SHALL PROVIDE TO THE COMMISSION, AS APPLICABLE, AN APPLICANT'S PROBLEM GAMBLING PLAN. AN APPLICANT'S PROBLEM GAMBLING PLAN SHALL BE APPROVED BY THE COMMISSION BEFORE THE COMMISSION ISSUES OR RENEWS A LICENSE. EACH PLAN SHALL AT MINIMUM INCLUDE THE FOLLOWING:

(A) THE GOALS OF THE PLAN AND PROCEDURES AND TIMETABLES TO IMPLEMENT THE PLAN;

(B) THE IDENTIFICATION OF THE INDIVIDUAL WHO WILL BE RESPONSIBLE FOR THE IMPLEMENTATION AND MAINTENANCE OF THE PLAN;

(C) POLICIES AND PROCEDURES INCLUDING THE FOLLOWING:

(1) THE COMMITMENT OF THE APPLICANT AND THE GAMING FACILITY LICENSEE TO TRAIN APPROPRIATE EMPLOYEES;

(2) THE DUTIES AND RESPONSIBILITIES OF THE EMPLOYEES DESIGNATED TO IMPLEMENT OR PARTICIPATE IN THE PLAN;

(3) THE RESPONSIBILITY OF PATRONS WITH RESPECT TO RESPONSIBLE GAMBLING;

(4) PROCEDURES FOR COMPLIANCE WITH THE VOLUNTARY EXCLUSION PROGRAM;

(5) PROCEDURES TO IDENTIFY PATRONS AND EMPLOYEES WITH SUSPECTED OR KNOWN PROBLEM GAMBLING BEHAVIOR, INCLUDING PROCEDURES SPECIFIC TO LOYALTY AND OTHER REWARDS AND MARKETING PROGRAMS;

(6) PROCEDURES FOR PROVIDING INFORMATION TO INDIVIDUALS REGARDING THE VOLUNTARY EXCLUSION PROGRAM AND COMMUNITY, PUBLIC AND PRIVATE TREATMENT SERVICES, GAMBLERS ANONYMOUS PROGRAMS AND SIMILAR TREATMENT OR ADDICTION

1 THERAPY PROGRAMS DESIGNED TO PREVENT, TREAT, OR MONITOR PROBLEM GAMBLERS
2 AND TO COUNSEL FAMILY MEMBERS;

3 (7) PROCEDURES FOR RESPONDING TO PATRON AND EMPLOYEE REQUESTS FOR
4 INFORMATION REGARDING THE VOLUNTARY EXCLUSION PROGRAM AND COMMUNITY,
5 PUBLIC AND PRIVATE TREATMENT SERVICES, GAMBLERS ANONYMOUS PROGRAMS AND
6 SIMILAR TREATMENT OR ADDICTION THERAPY PROGRAMS DESIGNED TO PREVENT,
7 TREAT, OR MONITOR COMPULSIVE AND PROBLEM GAMBLERS AND TO COUNSEL FAMILY
8 MEMBERS;

9 (8) THE PROVISION OF PRINTED MATERIAL TO EDUCATE PATRONS AND EMPLOYEES
10 ABOUT PROBLEM GAMBLING AND TO INFORM THEM ABOUT THE VOLUNTARY EXCLUSION
11 PROGRAM AND TREATMENT SERVICES AVAILABLE TO PROBLEM GAMBLERS AND THEIR
12 FAMILIES. THE APPLICANT SHALL PROVIDE EXAMPLES OF THE MATERIALS TO BE
13 USED AS PART OF ITS PLAN, INCLUDING, BROCHURES AND OTHER PRINTED MATERI-
14 AL AND A DESCRIPTION OF HOW THE MATERIAL WILL BE DISSEMINATED;

15 (9) ADVERTISING AND OTHER MARKETING AND OUTREACH TO EDUCATE THE GENER-
16 AL PUBLIC ABOUT THE VOLUNTARY EXCLUSION PROGRAM AND PROBLEM GAMBLING;

17 (10) AN EMPLOYEE TRAINING PROGRAM, INCLUDING TRAINING MATERIALS TO BE
18 UTILIZED AND A PLAN FOR PERIODIC REINFORCEMENT TRAINING AND A CERTIF-
19 ICATION PROCESS ESTABLISHED BY THE APPLICANT TO VERIFY THAT EACH EMPLOY-
20 EE HAS COMPLETED THE TRAINING REQUIRED BY THE PLAN;

21 (11) PROCEDURES TO PREVENT UNDERAGE GAMBLING;

22 (12) PROCEDURES TO PREVENT PATRONS IMPAIRED BY DRUGS OR ALCOHOL, OR
23 BOTH, FROM GAMBLING; AND

24 (13) THE PLAN FOR POSTING SIGNS WITHIN THE GAMING FACILITY, CONTAINING
25 INFORMATION ON GAMBLING TREATMENT AND ON THE VOLUNTARY EXCLUSION
26 PROGRAM. THE APPLICANT SHALL PROVIDE EXAMPLES OF THE LANGUAGE AND GRAPH-
27 ICS TO BE USED ON THE SIGNS AS PART OF ITS PLAN;

28 (D) A LIST OF COMMUNITY, PUBLIC AND PRIVATE TREATMENT SERVICES,
29 GAMBLERS ANONYMOUS PROGRAMS AND SIMILAR TREATMENT OR ADDICTION THERAPY
30 PROGRAMS DESIGNED TO PREVENT, TREAT, OR MONITOR PROBLEM GAMBLERS AND TO
31 COUNSEL FAMILY MEMBERS; AND

32 (E) ANY OTHER INFORMATION, DOCUMENTS, AND POLICIES AND PROCEDURES THAT
33 THE COMMISSION REQUIRES.

34 2. EACH APPLICANT OR GAMING FACILITY LICENSEE SHALL SUBMIT ANY AMEND-
35 MENTS TO THE PROBLEM GAMBLING PLAN TO THE COMMISSION FOR REVIEW AND
36 APPROVAL BEFORE IMPLEMENTING THE AMENDMENTS.

37 3. EACH GAMING FACILITY LICENSEE SHALL SUBMIT AN ANNUAL SUMMARY OF ITS
38 PROBLEM GAMBLING PLAN TO THE COMMISSION.

39 4. EACH GAMING FACILITY LICENSEE SHALL SUBMIT QUARTERLY UPDATES AND AN
40 ANNUAL REPORT TO THE COMMISSION OF ITS ADHERENCE TO THE PLANS AND GOALS
41 SUBMITTED UNDER THIS SECTION.

42 S 1363. ADVERTISING RESTRICTIONS. 1. AS USED IN THIS SECTION:

43 (A) "ADVERTISEMENT" SHALL MEAN ANY NOTICE OR COMMUNICATION TO THE
44 PUBLIC OR ANY INFORMATION CONCERNING THE GAMING-RELATED BUSINESS OF A
45 GAMING FACILITY LICENSEE OR APPLICANT THROUGH BROADCASTING, PUBLICATION
46 OR ANY OTHER MEANS OF DISSEMINATION, INCLUDING ELECTRONIC DISSEMINATION.
47 PROMOTIONAL ACTIVITIES ARE CONSIDERED ADVERTISEMENTS FOR PURPOSES OF
48 THIS SECTION.

49 (B) "DIRECT ADVERTISEMENT" SHALL MEAN ANY ADVERTISEMENT AS DESCRIBED
50 IN PARAGRAPH (A) OF THIS SUBDIVISION THAT IS DISSEMINATED TO A SPECIFIC
51 INDIVIDUAL OR INDIVIDUALS.

52 2. ADVERTISING SHALL BE BASED UPON FACT, AND SHALL NOT BE FALSE,
53 DECEPTIVE OR MISLEADING, AND NO ADVERTISING BY OR ON BEHALF OF A GAMING
54 FACILITY LICENSEE SHALL:

55 (A) USE ANY TYPE, SIZE, LOCATION, LIGHTING, ILLUSTRATION, GRAPHIC
56 DEPICTION OR COLOR RESULTING IN THE OBSCURING OF ANY MATERIAL FACT;

(B) FAIL TO CLEARLY AND CONSPICUOUSLY SPECIFY AND STATE ANY MATERIAL CONDITIONS OR LIMITING FACTORS;

(C) DEPICT ANY PERSON UNDER THE AGE OF TWENTY-ONE ENGAGING IN GAMING AND RELATED ACTIVITIES; OR

(D) FAIL TO DESIGNATE AND STATE THE NAME AND LOCATION OF THE GAMING FACILITY CONDUCTING THE ADVERTISEMENT. THE LOCATION OF THE GAMING FACILITY NEED NOT BE INCLUDED ON BILLBOARDS WITHIN THIRTY MILES OF THE GAMING FACILITY.

3. EACH ADVERTISEMENT SHALL, CLEARLY AND CONSPICUOUSLY, STATE A PROB-LEM GAMBLING HOTLINE NUMBER.

4. EACH DIRECT ADVERTISEMENT SHALL, CLEARLY AND CONSPICUOUSLY, DESCRIBE A METHOD OR METHODS BY WHICH AN INDIVIDUAL MAY DESIGNATE THAT THE INDIVIDUAL DOES NOT WISH TO RECEIVE ANY FUTURE DIRECT ADVERTISEMENT.

(A) THE DESCRIBED METHOD MUST BE BY AT LEAST TWO OF THE FOLLOWING:

(1) TELEPHONE;

(2) REGULAR U.S. MAIL; OR

(3) ELECTRONIC MAIL.

(B) UPON RECEIPT OF AN INDIVIDUAL'S REQUEST TO DISCONTINUE RECEIPT OF FUTURE ADVERTISEMENT, A GAMING FACILITY LICENSEE OR APPLICANT SHALL BLOCK THE INDIVIDUAL IN THE GAMING FACILITY LICENSEE'S DATABASE SO AS TO PREVENT THE INDIVIDUAL FROM RECEIVING FUTURE DIRECT ADVERTISEMENTS WITH- IN FIFTEEN DAYS OF RECEIPT OF THE REQUEST.

5. EACH GAMING FACILITY LICENSEE OR APPLICANT SHALL PROVIDE TO THE COMMISSION AT ITS MAIN OFFICE A COMPLETE AND ACCURATE COPY OF ALL ADVER- TISEMENTS WITHIN FIVE BUSINESS DAYS OF THE ADVERTISEMENT'S PUBLIC DISSEMINATION. GAMING FACILITY LICENSEES OR APPLICANTS SHALL DISCONTINUE THE PUBLIC DISSEMINATION UPON RECEIPT OF NOTICE FROM THE COMMISSION TO DISCONTINUE AN ADVERTISEMENT.

6. A GAMING FACILITY LICENSEE OR APPLICANT SHALL MAINTAIN A COMPLETE RECORD OF ALL ADVERTISEMENTS FOR A PERIOD OF AT LEAST TWO YEARS. RECORDS SHALL BE MADE AVAILABLE TO THE COMMISSION UPON REQUEST.

TITLE 8

MISCELLANEOUS PROVISIONS

SECTION 1364. SMOKING PROHIBITED.

1365. CONSERVATORSHIP.

1366. ZONING.

1367. SPORTS WAGERING.

S 1364. SMOKING PROHIBITED. SMOKING SHALL NOT BE PERMITTED, AND NO PERSON SHALL SMOKE IN THE INDOOR AREAS OF FACILITIES LICENSED PURSUANT TO THIS ARTICLE, EXCEPT THAT THE PROVISIONS OF SECTION ONE THOUSAND THREE HUNDRED NINETY-NINE-Q OF THE PUBLIC HEALTH LAW SHALL BE APPLICABLE TO FACILITIES LICENSED PURSUANT TO THIS ARTICLE.

S 1365. CONSERVATORSHIP. 1. UPON REVOCATION OR SUSPENSION OF A GAMING FACILITY LICENSE OR UPON THE FAILURE OR REFUSAL TO RENEW A GAMING FACIL- ITY LICENSE, THE COMMISSION MAY APPOINT A CONSERVATOR TO TEMPORARILY MANAGE AND OPERATE THE BUSINESS OF THE GAMING LICENSEE RELATING TO THE GAMING FACILITY. SUCH CONSERVATOR SHALL BE A PERSON OF SIMILAR EXPERI- ENCE IN THE FIELD OF GAMING MANAGEMENT AND, IN THE CASE OF REPLACING A GAMING FACILITY LICENSEE, SHALL HAVE EXPERIENCE OPERATING A GAMING FACILITY OF SIMILAR CALIBER IN ANOTHER JURISDICTION, AND SHALL BE IN GOOD STANDING IN ALL JURISDICTIONS IN WHICH THE CONSERVATOR OPERATES A GAMING FACILITY. UPON APPOINTMENT, A CONSERVATOR SHALL AGREE TO ALL LICENSING PROVISIONS OF THE FORMER GAMING LICENSEE.

2. A CONSERVATOR SHALL, BEFORE ASSUMING, MANAGERIAL OR OPERATIONAL DUTIES, EXECUTE AND FILE A BOND FOR THE FAITHFUL PERFORMANCE OF ITS

1 DUTIES PAYABLE TO THE COMMISSION WITH SUCH SURETY AND IN SUCH FORM AND
2 AMOUNT AS THE COMMISSION SHALL APPROVE.

3 3. THE COMMISSION SHALL REQUIRE THAT THE FORMER OR SUSPENDED GAMING
4 LICENSEE PURCHASE LIABILITY INSURANCE, IN AN AMOUNT DETERMINED BY THE
5 COMMISSION, TO PROTECT A CONSERVATOR FROM LIABILITY FOR ANY ACTS OR
6 OMISSIONS OF THE CONSERVATOR DURING THE CONSERVATOR'S APPOINTMENT WHICH
7 ARE REASONABLY RELATED TO AND WITHIN THE SCOPE OF THE CONSERVATOR'S
8 DUTIES.

9 4. DURING THE PERIOD OF TEMPORARY MANAGEMENT OF THE GAMING FACILITY,
10 THE COMMISSION SHALL INITIATE PROCEEDINGS UNDER THIS ARTICLE TO AWARD A
11 NEW GAMING FACILITY LICENSE TO A QUALIFIED APPLICANT WHOSE GAMING FACIL-
12 ITY SHALL BE LOCATED AT THE SITE OF THE PREEXISTING GAMING FACILITY.

13 5. AN APPLICANT FOR A NEW GAMING FACILITY LICENSE SHALL BE QUALIFIED
14 FOR LICENSURE UNDER THIS ARTICLE; PROVIDED, HOWEVER, THAT THE COMMISSION
15 SHALL DETERMINE AN APPROPRIATE LEVEL OF INVESTMENT BY AN APPLICANT INTO
16 THE PREEXISTING GAMING FACILITY.

17 6. UPON AWARD OF A NEW GAMING FACILITY LICENSE, THE NEW GAMING FACILI-
18 TY LICENSEE SHALL PAY THE ORIGINAL LICENSING FEE REQUIRED UNDER THIS
19 ARTICLE.

20 S 1366. ZONING. NOTWITHSTANDING ANY INCONSISTENT PROVISION OF LAW,
21 GAMING AUTHORIZED AT A LOCATION PURSUANT TO THIS ARTICLE SHALL BE DEEMED
22 AN APPROVED ACTIVITY FOR SUCH LOCATION UNDER THE RELEVANT CITY, COUNTY,
23 TOWN, OR VILLAGE LAND USE OR ZONING ORDINANCES, RULES, OR REGULATIONS.

24 S 1367. SPORTS WAGERING. 1. AS USED IN THIS SECTION:

25 (A) "CASINO" MEANS A LICENSED GAMING FACILITY AT WHICH GAMBLING IS
26 CONDUCTED PURSUANT TO THE PROVISIONS OF THIS ARTICLE;

27 (B) "COMMISSION" MEANS THE COMMISSION ESTABLISHED PURSUANT TO SECTION
28 ONE HUNDRED TWO OF THIS CHAPTER;

29 (C) "COLLEGIATE SPORT OR ATHLETIC EVENT" MEANS A SPORT OR ATHLETIC
30 EVENT OFFERED OR SPONSORED BY OR PLAYED IN CONNECTION WITH A PUBLIC OR
31 PRIVATE INSTITUTION THAT OFFERS EDUCATIONAL SERVICES BEYOND THE SECOND-
32 ARY LEVEL;

33 (D) "OPERATOR" MEANS A CASINO WHICH HAS ELECTED TO OPERATE A SPORTS
34 POOL;

35 (E) "PROFESSIONAL SPORT OR ATHLETIC EVENT" MEANS AN EVENT AT WHICH TWO
36 OR MORE PERSONS PARTICIPATE IN SPORTS OR ATHLETIC EVENTS AND RECEIVE
37 COMPENSATION IN EXCESS OF ACTUAL EXPENSES FOR THEIR PARTICIPATION IN
38 SUCH EVENT;

39 (F) "PROHIBITED SPORTS EVENT" MEANS ANY COLLEGIATE SPORT OR ATHLETIC
40 EVENT THAT TAKES PLACE IN NEW YORK OR A SPORT OR ATHLETIC EVENT IN WHICH
41 ANY NEW YORK COLLEGE TEAM PARTICIPATES REGARDLESS OF WHERE THE EVENT
42 TAKES PLACE;

43 (G) "SPORTS EVENT" MEANS ANY PROFESSIONAL SPORT OR ATHLETIC EVENT AND
44 ANY COLLEGIATE SPORT OR ATHLETIC EVENT, EXCEPT A PROHIBITED SPORTS
45 EVENT;

46 (H) "SPORTS POOL" MEANS THE BUSINESS OF ACCEPTING WAGERS ON ANY SPORTS
47 EVENT BY ANY SYSTEM OR METHOD OF WAGERING; AND

48 (I) "SPORTS WAGERING LOUNGE" MEANS AN AREA WHEREIN A SPORTS POOL IS
49 OPERATED.

50 2. NO GAMING FACILITY MAY CONDUCT SPORTS WAGERING UNTIL SUCH TIME AS
51 THERE HAS BEEN A CHANGE IN FEDERAL LAW AUTHORIZING SUCH OR UPON A RULING
52 OF A COURT OF COMPETENT JURISDICTION THAT SUCH ACTIVITY IS LAWFUL.

53 3. (A) IN ADDITION TO AUTHORIZED GAMING ACTIVITIES, A LICENSED GAMING
54 FACILITY MAY WHEN AUTHORIZED BY SUBDIVISION TWO OF THIS SECTION OPERATE
55 A SPORTS POOL UPON THE APPROVAL OF THE COMMISSION AND IN ACCORDANCE WITH
56 THE PROVISIONS OF THIS SECTION AND APPLICABLE REGULATIONS PROMULGATED

1 PURSUANT TO THIS ARTICLE. THE COMMISSION SHALL HEAR AND DECIDE PROMPTLY
2 AND IN REASONABLE ORDER ALL APPLICATIONS FOR A LICENSE TO OPERATE A
3 SPORTS POOL, SHALL HAVE THE GENERAL RESPONSIBILITY FOR THE IMPLEMENTA-
4 TION OF THIS SECTION AND SHALL HAVE ALL OTHER DUTIES SPECIFIED IN THIS
5 SECTION WITH REGARD TO THE OPERATION OF A SPORTS POOL. THE LICENSE TO
6 OPERATE A SPORTS POOL SHALL BE IN ADDITION TO ANY OTHER LICENSE REQUIRED
7 TO BE ISSUED TO OPERATE A GAMING FACILITY. NO LICENSE TO OPERATE A
8 SPORTS POOL SHALL BE ISSUED BY THE COMMISSION TO ANY ENTITY UNLESS IT
9 HAS ESTABLISHED ITS FINANCIAL STABILITY, INTEGRITY AND RESPONSIBILITY
10 AND ITS GOOD CHARACTER, HONESTY AND INTEGRITY.

11 NO LATER THAN FIVE YEARS AFTER THE DATE OF THE ISSUANCE OF A LICENSE
12 AND EVERY FIVE YEARS THEREAFTER OR WITHIN SUCH LESSER PERIODS AS THE
13 COMMISSION MAY DIRECT, A LICENSEE SHALL SUBMIT TO THE COMMISSION SUCH
14 DOCUMENTATION OR INFORMATION AS THE COMMISSION MAY BY REGULATION
15 REQUIRE, TO DEMONSTRATE TO THE SATISFACTION OF THE EXECUTIVE DIRECTOR OF
16 THE COMMISSION THAT THE LICENSEE CONTINUES TO MEET THE REQUIREMENTS OF
17 THE LAW AND REGULATIONS.

18 (B) A SPORTS POOL SHALL BE OPERATED IN A SPORTS WAGERING LOUNGE
19 LOCATED AT A CASINO. THE LOUNGE SHALL CONFORM TO ALL REQUIREMENTS
20 CONCERNING SQUARE FOOTAGE, DESIGN, EQUIPMENT, SECURITY MEASURES AND
21 RELATED MATTERS WHICH THE COMMISSION SHALL BY REGULATION PRESCRIBE.

22 (C) THE OPERATOR OF A SPORTS POOL SHALL ESTABLISH OR DISPLAY THE ODDS
23 AT WHICH WAGERS MAY BE PLACED ON SPORTS EVENTS.

24 (D) AN OPERATOR SHALL ACCEPT WAGERS ON SPORTS EVENTS ONLY FROM PERSONS
25 PHYSICALLY PRESENT IN THE SPORTS WAGERING LOUNGE. A PERSON PLACING A
26 WAGER SHALL BE AT LEAST TWENTY-ONE YEARS OF AGE.

27 (E) AN OPERATOR SHALL NOT ADMIT INTO THE SPORTS WAGERING LOUNGE, OR
28 ACCEPT WAGERS FROM, ANY PERSON WHOSE NAME APPEARS ON THE EXCLUSION LIST.

29 (F) THE HOLDER OF A LICENSE TO OPERATE A SPORTS POOL MAY CONTRACT WITH
30 AN ENTITY TO CONDUCT THAT OPERATION, IN ACCORDANCE WITH THE REGULATIONS
31 OF THE COMMISSION. THAT ENTITY SHALL OBTAIN A LICENSE AS A CASINO VENDOR
32 ENTERPRISE PRIOR TO THE EXECUTION OF ANY SUCH CONTRACT, AND SUCH LICENSE
33 SHALL BE ISSUED PURSUANT TO THE PROVISIONS OF SECTION ONE THOUSAND THREE
34 HUNDRED TWENTY-SEVEN OF THIS ARTICLE AND IN ACCORDANCE WITH THE REGU-
35 LATIONS PROMULGATED BY THE COMMISSION.

36 (G) IF ANY PROVISION OF THIS ARTICLE OR ITS APPLICATION TO ANY PERSON
37 OR CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY SHALL NOT AFFECT OTHER
38 PROVISIONS OR APPLICATIONS OF THIS ARTICLE WHICH CAN BE GIVEN EFFECT
39 WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE
40 PROVISIONS OF THIS ARTICLE ARE SEVERABLE.

41 4. (A) ALL PERSONS EMPLOYED DIRECTLY IN WAGERING-RELATED ACTIVITIES
42 CONDUCTED WITHIN A SPORTS WAGERING LOUNGE SHALL BE LICENSED AS A CASINO
43 KEY EMPLOYEE OR REGISTERED AS A GAMING EMPLOYEE, AS DETERMINED BY THE
44 COMMISSION. ALL OTHER EMPLOYEES WHO ARE WORKING IN THE SPORTS WAGERING
45 LOUNGE MAY BE REQUIRED TO BE REGISTERED, IF APPROPRIATE, IN ACCORDANCE
46 WITH REGULATIONS OF THE COMMISSION.

47 (B) EACH OPERATOR OF A SPORTS POOL SHALL DESIGNATE ONE OR MORE CASINO
48 KEY EMPLOYEES WHO SHALL BE RESPONSIBLE FOR THE OPERATION OF THE SPORTS
49 POOL. AT LEAST ONE SUCH CASINO KEY EMPLOYEE SHALL BE ON THE PREMISES
50 WHENEVER SPORTS WAGERING IS CONDUCTED.

51 5. EXCEPT AS OTHERWISE PROVIDED BY THIS ARTICLE, THE COMMISSION SHALL
52 HAVE THE AUTHORITY TO REGULATE SPORTS POOLS AND THE CONDUCT OF SPORTS
53 WAGERING UNDER THIS ARTICLE TO THE SAME EXTENT THAT THE COMMISSION REGU-
54 LATES OTHER GAMING. NO CASINO SHALL BE AUTHORIZED TO OPERATE A SPORTS
55 POOL UNLESS IT HAS PRODUCED INFORMATION, DOCUMENTATION, AND ASSURANCES
56 CONCERNING ITS FINANCIAL BACKGROUND AND RESOURCES, INCLUDING CASH

RESERVES, THAT ARE SUFFICIENT TO DEMONSTRATE THAT IT HAS THE FINANCIAL STABILITY, INTEGRITY, AND RESPONSIBILITY TO OPERATE A SPORTS POOL. IN DEVELOPING RULES AND REGULATIONS APPLICABLE TO SPORTS WAGERING, THE COMMISSION SHALL EXAMINE THE REGULATIONS IMPLEMENTED IN OTHER STATES WHERE SPORTS WAGERING IS CONDUCTED AND SHALL, AS FAR AS PRACTICABLE, ADOPT A SIMILAR REGULATORY FRAMEWORK. THE COMMISSION SHALL PROMULGATE REGULATIONS NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SECTION, INCLUDING, BUT NOT LIMITED TO, REGULATIONS GOVERNING THE:

(A) AMOUNT OF CASH RESERVES TO BE MAINTAINED BY OPERATORS TO COVER WINNING WAGERS;

(B) ACCEPTANCE OF WAGERS ON A SERIES OF SPORTS EVENTS;

(C) MAXIMUM WAGERS WHICH MAY BE ACCEPTED BY AN OPERATOR FROM ANY ONE PATRON ON ANY ONE SPORTS EVENT;

(D) TYPE OF WAGERING TICKETS WHICH MAY BE USED;

(E) METHOD OF ISSUING TICKETS;

(F) METHOD OF ACCOUNTING TO BE USED BY OPERATORS;

(G) TYPES OF RECORDS WHICH SHALL BE KEPT;

(H) USE OF CREDIT AND CHECKS BY PATRONS;

(I) TYPE OF SYSTEM FOR WAGERING; AND

(J) PROTECTIONS FOR A PERSON PLACING A WAGER.

6. EACH OPERATOR SHALL ADOPT COMPREHENSIVE HOUSE RULES GOVERNING SPORTS WAGERING TRANSACTIONS WITH ITS PATRONS. THE RULES SHALL SPECIFY THE AMOUNTS TO BE PAID ON WINNING WAGERS AND THE EFFECT OF SCHEDULE CHANGES. THE HOUSE RULES, TOGETHER WITH ANY OTHER INFORMATION THE COMMISSION DEEMS APPROPRIATE, SHALL BE CONSPICUOUSLY DISPLAYED IN THE SPORTS WAGERING LOUNGE AND INCLUDED IN THE TERMS AND CONDITIONS OF THE ACCOUNT WAGERING SYSTEM, AND COPIES SHALL BE MADE READILY AVAILABLE TO PATRONS.

TITLE 9

GAMING INSPECTOR GENERAL

SECTION 1368. ESTABLISHMENT OF THE OFFICE OF GAMING INSPECTOR GENERAL.

1369. STATE GAMING INSPECTOR GENERAL; FUNCTIONS AND DUTIES.

1370. POWERS.

1371. RESPONSIBILITIES OF THE COMMISSION AND ITS OFFICERS AND EMPLOYEES.

S 1368. ESTABLISHMENT OF THE OFFICE OF GAMING INSPECTOR GENERAL. THERE IS HEREBY CREATED WITHIN THE COMMISSION THE OFFICE OF GAMING INSPECTOR GENERAL. THE HEAD OF THE OFFICE SHALL BE THE GAMING INSPECTOR GENERAL WHO SHALL BE APPOINTED BY THE GOVERNOR BY AND WITH THE ADVICE AND CONSENT OF THE SENATE. THE INSPECTOR GENERAL SHALL SERVE AT THE PLEASURE OF THE GOVERNOR. THE INSPECTOR GENERAL SHALL REPORT DIRECTLY TO THE GOVERNOR. THE PERSON APPOINTED AS INSPECTOR GENERAL SHALL, UPON HIS OR HER APPOINTMENT, HAVE NOT LESS THAN TEN YEARS PROFESSIONAL EXPERIENCE IN LAW, INVESTIGATION, OR AUDITING. THE INSPECTOR GENERAL SHALL BE COMPENSATED WITHIN THE LIMITS OF FUNDS AVAILABLE THEREFOR, PROVIDED, HOWEVER, SUCH SALARY SHALL BE NO LESS THAN THE SALARIES OF CERTAIN STATE OFFICERS HOLDING THE POSITIONS INDICATED IN PARAGRAPH (A) OF SUBDIVISION ONE OF SECTION ONE HUNDRED SIXTY-NINE OF THE EXECUTIVE LAW.

S 1369. STATE GAMING INSPECTOR GENERAL; FUNCTIONS AND DUTIES. THE STATE GAMING INSPECTOR GENERAL SHALL HAVE THE FOLLOWING DUTIES AND RESPONSIBILITIES:

1. RECEIVE AND INVESTIGATE COMPLAINTS FROM ANY SOURCE, OR UPON HIS OR HER OWN INITIATIVE, CONCERNING ALLEGATIONS OF CORRUPTION, FRAUD, CRIMINAL ACTIVITY, CONFLICTS OF INTEREST OR ABUSE IN THE COMMISSION;

2. INFORM THE COMMISSION MEMBERS OF SUCH ALLEGATIONS AND THE PROGRESS OF INVESTIGATIONS RELATED THERETO, UNLESS SPECIAL CIRCUMSTANCES REQUIRE CONFIDENTIALITY;

3. DETERMINE WITH RESPECT TO SUCH ALLEGATIONS WHETHER DISCIPLINARY ACTION, CIVIL OR CRIMINAL PROSECUTION, OR FURTHER INVESTIGATION BY AN APPROPRIATE FEDERAL, STATE OR LOCAL AGENCY IS WARRANTED, AND TO ASSIST IN SUCH INVESTIGATIONS;

4. PREPARE AND RELEASE TO THE PUBLIC WRITTEN REPORTS OF SUCH INVESTIGATIONS, AS APPROPRIATE AND TO THE EXTENT PERMITTED BY LAW, SUBJECT TO REDACTION TO PROTECT THE CONFIDENTIALITY OF WITNESSES. THE RELEASE OF ALL OR PORTIONS OF SUCH REPORTS MAY BE DEFERRED TO PROTECT THE CONFIDENTIALITY OF ONGOING INVESTIGATIONS;

5. REVIEW AND EXAMINE PERIODICALLY THE POLICIES AND PROCEDURES OF THE COMMISSION WITH REGARD TO THE PREVENTION AND DETECTION OF CORRUPTION, FRAUD, CRIMINAL ACTIVITY, CONFLICTS OF INTEREST OR ABUSE;

6. RECOMMEND REMEDIAL ACTION TO PREVENT OR ELIMINATE CORRUPTION, FRAUD, CRIMINAL ACTIVITY, CONFLICTS OF INTEREST OR ABUSE IN THE COMMISSION; AND

7. ESTABLISH PROGRAMS FOR TRAINING COMMISSION OFFICERS AND EMPLOYEES REGARDING THE PREVENTION AND ELIMINATION OF CORRUPTION, FRAUD, CRIMINAL ACTIVITY, CONFLICTS OF INTEREST OR ABUSE IN THE COMMISSION.

S 1370. POWERS. THE STATE GAMING INSPECTOR GENERAL SHALL HAVE THE POWER TO:

1. SUBPOENA AND ENFORCE THE ATTENDANCE OF WITNESSES;

2. ADMINISTER OATHS OR AFFIRMATIONS AND EXAMINE WITNESSES UNDER OATH;

3. REQUIRE THE PRODUCTION OF ANY BOOKS AND PAPERS DEEMED RELEVANT OR MATERIAL TO ANY INVESTIGATION, EXAMINATION OR REVIEW;

4. NOTWITHSTANDING ANY LAW TO THE CONTRARY, EXAMINE AND COPY OR REMOVE DOCUMENTS OR RECORDS OF ANY KIND PREPARED, MAINTAINED OR HELD BY THE COMMISSION;

5. REQUIRE ANY COMMISSION OFFICER OR EMPLOYEE TO ANSWER QUESTIONS CONCERNING ANY MATTER RELATED TO THE PERFORMANCE OF HIS OR HER OFFICIAL DUTIES. THE REFUSAL OF ANY OFFICER OR EMPLOYEE TO ANSWER QUESTIONS SHALL BE CAUSE FOR REMOVAL FROM OFFICE OR EMPLOYMENT OR OTHER APPROPRIATE PENALTY;

6. MONITOR THE IMPLEMENTATION BY THE COMMISSION OF ANY RECOMMENDATIONS MADE BY THE STATE INSPECTOR GENERAL; AND

7. PERFORM ANY OTHER FUNCTIONS THAT ARE NECESSARY OR APPROPRIATE TO FULFILL THE DUTIES AND RESPONSIBILITIES OF THE OFFICE.

S 1371. RESPONSIBILITIES OF THE COMMISSION AND ITS OFFICERS AND EMPLOYEES. 1. EVERY COMMISSION OFFICER OR EMPLOYEE SHALL REPORT PROMPTLY TO THE STATE GAMING INSPECTOR GENERAL ANY INFORMATION CONCERNING CORRUPTION, FRAUD, CRIMINAL ACTIVITY, CONFLICTS OF INTEREST OR ABUSE BY ANOTHER STATE OFFICER OR EMPLOYEE RELATING TO HIS OR HER OFFICE OR EMPLOYMENT, OR BY A PERSON HAVING BUSINESS DEALINGS WITH THE COMMISSION RELATING TO THOSE DEALINGS. THE KNOWING FAILURE OF ANY OFFICER OR EMPLOYEE TO SO REPORT SHALL BE CAUSE FOR REMOVAL FROM OFFICE OR EMPLOYMENT OR OTHER APPROPRIATE PENALTY UNDER THIS ARTICLE. ANY OFFICER OR EMPLOYEE WHO ACTS PURSUANT TO THIS SUBDIVISION BY REPORTING TO THE STATE GAMING INSPECTOR GENERAL OR OTHER APPROPRIATE LAW ENFORCEMENT OFFICIAL IMPROPER GOVERNMENTAL ACTION AS DEFINED IN SECTION SEVENTY-FIVE-B OF THE CIVIL SERVICE LAW SHALL NOT BE SUBJECT TO DISMISSAL, DISCIPLINE OR OTHER ADVERSE PERSONNEL ACTION.

2. THE COMMISSION CHAIR SHALL ADVISE THE GOVERNOR WITHIN NINETY DAYS OF THE ISSUANCE OF A REPORT BY THE STATE GAMING INSPECTOR GENERAL AS TO

1 THE REMEDIAL ACTION THAT THE COMMISSION HAS TAKEN IN RESPONSE TO ANY
2 RECOMMENDATION FOR SUCH ACTION CONTAINED IN SUCH REPORT.

3 S 3. Section 225.00 of the penal law is amended by adding eighteen new
4 subdivisions 13 through 30 to read as follows:

5 13. "AUTHORIZED GAMING ESTABLISHMENT" MEANS ANY STRUCTURE, STRUCTURE
6 AND ADJACENT OR ATTACHED STRUCTURE, OR GROUNDS ADJACENT TO A STRUCTURE
7 IN WHICH CASINO GAMING, CONDUCTED PURSUANT TO ARTICLE THIRTEEN OF THE
8 RACING, PARI-MUTUEL WAGERING AND BREEDING LAW, OR CLASS III GAMING, AS
9 AUTHORIZED PURSUANT TO A COMPACT REACHED BETWEEN THE STATE OF NEW YORK
10 AND A FEDERALLY RECOGNIZED INDIAN NATION OR TRIBE UNDER THE FEDERAL
11 INDIAN GAMING REGULATORY ACT OF 1988, IS CONDUCTED AND SHALL INCLUDE ALL
12 PUBLIC AND NON-PUBLIC AREAS OF ANY SUCH BUILDING, EXCEPT FOR SUCH AREAS
13 OF A BUILDING WHERE EITHER CLASS I OR II GAMING ARE CONDUCTED OR ANY
14 BUILDING OR GROUNDS KNOWN AS A VIDEO GAMING ENTERTAINMENT FACILITY,
15 INCLUDING FACILITIES WHERE FOOD AND DRINK ARE SERVED, AS WELL AS THOSE
16 AREAS NOT NORMALLY OPEN TO THE PUBLIC, SUCH AS WHERE RECORDS RELATED TO
17 VIDEO LOTTERY GAMING OPERATIONS ARE KEPT, EXCEPT SHALL NOT INCLUDE THE
18 RACETRACKS OR SUCH AREAS WHERE SUCH VIDEO LOTTERY GAMING OPERATIONS OR
19 FACILITIES DO NOT TAKE PLACE OR EXIST, SUCH AS RACETRACK AREAS OR FAIR-
20 GROUNDS WHICH ARE WHOLLY UNRELATED TO VIDEO LOTTERY GAMING OPERATIONS,
21 PURSUANT TO SECTION SIXTEEN HUNDRED SEVENTEEN-A AND PARAGRAPH FIVE OF
22 SUBDIVISION A OF SECTION SIXTEEN HUNDRED TWELVE OF THE TAX LAW, AS
23 AMENDED AND IMPLEMENTED.

24 14. "AUTHORIZED GAMING OPERATOR" MEANS AN ENTERPRISE OR BUSINESS ENTI-
25 TY AUTHORIZED BY STATE OR FEDERAL LAW TO OPERATE CASINO OR VIDEO LOTTERY
26 GAMING.

27 15. "CASINO GAMING" MEANS GAMES AUTHORIZED TO BE PLAYED PURSUANT TO A
28 LICENSE GRANTED UNDER ARTICLE THIRTEEN OF THE RACING, PARI-MUTUEL WAGER-
29 ING AND BREEDING LAW OR BY FEDERALLY RECOGNIZED INDIAN NATIONS OR TRIBES
30 PURSUANT TO A VALID GAMING COMPACT REACHED IN ACCORDANCE WITH THE FEDER-
31 AL INDIAN GAMING REGULATORY ACT OF 1988, PUB. L. 100-497, 102 STAT.
32 2467, CODIFIED AT 25 U.S.C. SS 2701-21 AND 18 U.S.C. SS 1166-68.

33 16. "CASH EQUIVALENT" MEANS A TREASURY CHECK, A TRAVELERS CHECK, WIRE
34 TRANSFER OF FUNDS, TRANSFER CHECK, MONEY ORDER, CERTIFIED CHECK, CASH-
35 IERS CHECK, PAYROLL CHECK, A CHECK DRAWN ON THE ACCOUNT OF THE AUTHOR-
36 IZED GAMING OPERATOR PAYABLE TO THE PATRON OR TO THE AUTHORIZED GAMING
37 ESTABLISHMENT, A PROMOTIONAL COUPON, PROMOTIONAL CHIP, PROMOTIONAL
38 CHEQUE, PROMOTIONAL TOKEN, OR A VOUCHER RECORDING CASH DRAWN AGAINST A
39 CREDIT CARD OR CHARGE CARD.

40 17. "CHEQUES" OR "CHIPS" OR "TOKENS" MEANS NONMETAL, METAL OR PARTLY
41 METAL REPRESENTATIVES OF VALUE, REDEEMABLE FOR CASH OR CASH EQUIVALENT,
42 AND ISSUED AND SOLD BY AN AUTHORIZED CASINO OPERATOR FOR USE AT AN
43 AUTHORIZED GAMING ESTABLISHMENT. THE VALUE OF SUCH CHEQUES OR CHIPS OR
44 TOKENS SHALL BE CONSIDERED EQUIVALENT IN VALUE TO THE CASH OR CASH
45 EQUIVALENT EXCHANGED FOR SUCH CHEQUES OR CHIPS OR TOKENS UPON PURCHASE
46 OR REDEMPTION.

47 18. "CLASS I GAMING" AND "CLASS II GAMING" MEANS THOSE FORMS OF GAMING
48 THAT ARE NOT CLASS III GAMING, AS DEFINED IN SUBSECTION EIGHT OF SECTION
49 FOUR OF THE FEDERAL INDIAN GAMING REGULATORY ACT, 25 U.S.C. S 2703.

50 19. "CLASS III GAMING" MEANS THOSE FORMS OF GAMING THAT ARE NOT CLASS
51 I OR CLASS II GAMING, AS DEFINED IN SUBSECTIONS SIX AND SEVEN OF SECTION
52 FOUR OF THE FEDERAL INDIAN GAMING REGULATORY ACT, 25 U.S.C. S 2703 AND
53 THOSE GAMES ENUMERATED IN THE APPENDIX OF A GAMING COMPACT.

54 20. "COMPACT" OR "GAMING COMPACT" MEANS THE AGREEMENT BETWEEN A FEDER-
55 ALLY RECOGNIZED INDIAN TRIBE AND THE STATE OF NEW YORK REGARDING CLASS
56 III GAMING ACTIVITIES ENTERED INTO PURSUANT TO THE FEDERAL INDIAN GAMING

REGULATORY ACT, PUB. L. 100-497, 102 STAT. 2467, CODIFIED AT 25 U.S.C. SS 2701-21 AND 18 U.S.C. SS 1166-68 (1988 & SUPP. II).

21. "GAMING EQUIPMENT OR DEVICE" MEANS ANY MACHINE OR DEVICE WHICH IS SPECIALLY DESIGNED OR MANUFACTURED FOR USE IN THE OPERATION OF ANY CLASS III OR VIDEO LOTTERY GAME.

22. "GAMING REGULATORY AUTHORITY" MEANS, WITH RESPECT TO ANY AUTHORIZED GAMING ESTABLISHMENT ON INDIAN LANDS, TERRITORY OR RESERVATION, THE INDIAN NATION OR TRIBAL GAMING COMMISSION, ITS AUTHORIZED OFFICERS, AGENTS AND REPRESENTATIVES ACTING IN THEIR OFFICIAL CAPACITIES OR SUCH OTHER AGENCY OF A NATION OR TRIBE AS THE NATION OR TRIBE MAY DESIGNATE AS THE AGENCY RESPONSIBLE FOR THE REGULATION OF CLASS III GAMING, JOINTLY WITH THE STATE GAMING AGENCY, CONDUCTED PURSUANT TO A GAMING COMPACT BETWEEN THE NATION OR TRIBE AND THE STATE OF NEW YORK, OR WITH RESPECT TO ANY CASINO GAMING AUTHORIZED PURSUANT TO ARTICLE THIRTEEN OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW OR VIDEO LOTTERY GAMING CONDUCTED PURSUANT TO SECTION SIXTEEN HUNDRED SEVENTEEN-A AND PARAGRAPH FIVE OF SUBDIVISION A OF SECTION SIXTEEN HUNDRED TWELVE OF THE TAX LAW, AS AMENDED AND IMPLEMENTED.

23. "PREMISES" INCLUDES ANY STRUCTURE, PARKING LOT, BUILDING, VEHICLE, WATERCRAFT, AND ANY REAL PROPERTY.

24. "SELL" MEANS TO SELL, EXCHANGE, GIVE OR DISPOSE OF TO ANOTHER.

25. "STATE GAMING AGENCY" SHALL MEAN THE NEW YORK STATE GAMING COMMISSION, ITS AUTHORIZED OFFICIALS, AGENTS, AND REPRESENTATIVES ACTING IN THEIR OFFICIAL CAPACITIES AS THE REGULATORY AGENCY OF THE STATE WHICH HAS RESPONSIBILITY FOR REGULATION WITH RESPECT TO VIDEO LOTTERY GAMING OR CASINO GAMING.

26. "UNFAIR GAMING EQUIPMENT" MEANS LOADED DICE, MARKED CARDS, SUBSTITUTED CARDS OR DICE, OR FIXED ROULETTE WHEELS OR OTHER GAMING EQUIPMENT WHICH HAS BEEN ALTERED IN A WAY THAT TENDS TO DECEIVE OR TENDS TO ALTER THE ELEMENTS OF CHANCE OR NORMAL RANDOM SELECTION WHICH DETERMINE THE RESULT OF THE GAME OR OUTCOME, OR THE AMOUNT OR FREQUENCY OF THE PAYMENT IN A GAME.

27. "UNLAWFUL GAMING PROPERTY" MEANS:

(A) ANY DEVICE, NOT PRESCRIBED FOR USE IN CASINO GAMING BY ITS RULES, WHICH IS CAPABLE OF ASSISTING A PLAYER:

(I) TO CALCULATE ANY PROBABILITIES MATERIAL TO THE OUTCOME OF A CONTEST OF CHANCE; OR

(II) TO RECEIVE OR TRANSMIT INFORMATION MATERIAL TO THE OUTCOME OF A CONTEST OF CHANCE; OR

(B) ANY OBJECT OR ARTICLE WHICH, BY VIRTUE OF ITS SIZE, SHAPE OR ANY OTHER QUALITY, IS CAPABLE OF BEING USED IN CASINO GAMING AS AN IMPROPER SUBSTITUTE FOR A GENUINE CHIP, CHEQUE, TOKEN, BETTING COUPON, DEBIT INSTRUMENT, VOUCHER OR OTHER INSTRUMENT OR INDICIA OF VALUE; OR

(C) ANY UNFAIR GAMING EQUIPMENT.

28. "VIDEO LOTTERY GAMING" MEANS ANY LOTTERY GAME PLAYED ON A VIDEO LOTTERY TERMINAL, WHICH CONSISTS OF MULTIPLE PLAYERS COMPETING FOR A CHANCE TO WIN A RANDOM DRAWN PRIZE PURSUANT TO SECTION SIXTEEN HUNDRED SEVENTEEN-A AND PARAGRAPH FIVE OF SUBDIVISION A OF SECTION SIXTEEN HUNDRED TWELVE OF THE TAX LAW, AS AMENDED AND IMPLEMENTED.

29. "VOUCHER" MEANS AN INSTRUMENT OF VALUE GENERATED BY A VIDEO LOTTERY TERMINAL REPRESENTING A MONETARY AMOUNT AND/OR PLAY VALUE OWED TO A CUSTOMER AT A SPECIFIC VIDEO LOTTERY TERMINAL BASED ON VIDEO LOTTERY GAMING WINNINGS AND/OR AMOUNTS NOT WAGERED.

S 4. The penal law is amended by adding ten new sections 225.55, 225.60, 225.65, 225.70, 225.75, 225.80, 225.85, 225.90 and 225.95 to read as follows:

1 S 225.55 GAMING FRAUD IN THE SECOND DEGREE.

2 A PERSON IS GUILTY OF GAMING FRAUD IN THE SECOND DEGREE WHEN HE OR
3 SHE:

4 1. WITH INTENT TO DEFRAUD AND IN VIOLATION OF THE RULES OF THE CASINO
5 GAMING, MISREPRESENTS, CHANGES THE AMOUNT BET OR WAGERED ON, OR THE
6 OUTCOME OR POSSIBLE OUTCOME OF THE CONTEST OR EVENT WHICH IS THE SUBJECT
7 OF THE BET OR WAGER, OR THE AMOUNT OR FREQUENCY OF PAYMENT IN THE CASINO
8 GAMING; OR

9 2. WITH INTENT TO DEFRAUD, OBTAINS ANYTHING OF VALUE FROM CASINO
10 GAMING WITHOUT HAVING WON SUCH AMOUNT BY A BET OR WAGER CONTINGENT THER-
11 EON.

12 GAMING FRAUD IN THE SECOND DEGREE IS A CLASS A MISDEMEANOR.

13 S 225.60 GAMING FRAUD IN THE FIRST DEGREE.

14 A PERSON IS GUILTY OF GAMING FRAUD IN THE FIRST DEGREE WHEN HE OR SHE
15 COMMITS A GAMING FRAUD IN THE SECOND DEGREE, AND:

16 1. THE VALUE OF THE BENEFIT OBTAINED EXCEEDS ONE THOUSAND DOLLARS; OR

17 2. HE OR SHE HAS BEEN PREVIOUSLY CONVICTED WITHIN THE PRECEDING FIVE
18 YEARS OF ANY OFFENSE OF WHICH AN ESSENTIAL ELEMENT IS THE COMMISSION OF
19 A GAMING FRAUD.

20 GAMING FRAUD IN THE FIRST DEGREE IS A CLASS E FELONY.

21 S 225.65 USE OF COUNTERFEIT, UNAPPROVED OR UNLAWFUL WAGERING INSTRU-
22 MENTS.

23 A PERSON IS GUILTY OF USE OF COUNTERFEIT, UNAPPROVED OR UNLAWFUL
24 WAGERING INSTRUMENTS WHEN IN PLAYING OR USING ANY CASINO GAMING DESIGNED
25 TO BE PLAYED WITH, RECEIVED OR BE OPERATED BY CHIPS, CHEQUES, TOKENS,
26 VOUCHERS OR OTHER WAGERING INSTRUMENTS APPROVED BY THE APPROPRIATE
27 GAMING REGULATORY AUTHORITY, HE OR SHE KNOWINGLY USES CHIPS, CHEQUES,
28 TOKENS, VOUCHERS OR OTHER WAGERING INSTRUMENTS OTHER THAN THOSE APPROVED
29 BY THE APPROPRIATE GAMING REGULATING AUTHORITY AND THE STATE GAMING
30 AGENCY OR LAWFUL COIN OR LEGAL TENDER OF THE UNITED STATES OF AMERICA.

31 POSSESSION OF MORE THAN ONE COUNTERFEIT, UNAPPROVED OR UNLAWFUL WAGER-
32 ING INSTRUMENT DESCRIBED IN THIS SECTION IS PRESUMPTIVE EVIDENCE OF
33 POSSESSION THEREOF WITH KNOWLEDGE OF ITS CHARACTER OR CONTENTS.

34 USE OF COUNTERFEIT, UNAPPROVED OR UNLAWFUL WAGERING INSTRUMENTS IS A
35 CLASS A MISDEMEANOR.

36 S 225.70 POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE THIRD DEGREE.

37 A PERSON IS GUILTY OF POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE
38 THIRD DEGREE WHEN HE OR SHE POSSESSES, WITH INTENT TO USE SUCH PROPERTY
39 TO COMMIT GAMING FRAUD, UNLAWFUL GAMING PROPERTY AT A PREMISES BEING
40 USED FOR CASINO GAMING.

41 POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE THIRD DEGREE IS A CLASS
42 A MISDEMEANOR.

43 S 225.75 POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE SECOND DEGREE.

44 A PERSON IS GUILTY OF POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE
45 SECOND DEGREE WHEN:

46 1. HE OR SHE MAKES, SELLS, OR POSSESSES WITH INTENT TO SELL, ANY
47 UNLAWFUL GAMING PROPERTY AT A CASINO GAMING FACILITY, THE VALUE OF WHICH
48 EXCEEDS THREE HUNDRED DOLLARS, WITH INTENT THAT IT BE MADE AVAILABLE TO
49 A PERSON FOR UNLAWFUL USE; OR

50 2. HE OR SHE COMMITS POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE
51 THIRD DEGREE AS DEFINED IN SECTION 225.70 OF THIS ARTICLE, AND THE FACE
52 VALUE OF THE IMPROPER SUBSTITUTE PROPERTY EXCEEDS FIVE HUNDRED DOLLARS;
53 OR

54 3. HE OR SHE COMMITS THE OFFENSE OF POSSESSION OF UNLAWFUL GAMING
55 PROPERTY IN THE THIRD DEGREE AND HAS BEEN PREVIOUSLY CONVICTED WITHIN

THE PRECEDING FIVE YEARS OF ANY OFFENSE OF WHICH AN ESSENTIAL ELEMENT IS POSSESSION OF UNLAWFUL GAMING PROPERTY.

POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE SECOND DEGREE IS A CLASS E FELONY.

S 225.80 POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE FIRST DEGREE.

A PERSON IS GUILTY OF POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE FIRST DEGREE WHEN:

1. HE OR SHE COMMITS THE CRIME OF UNLAWFUL POSSESSION OF GAMING PROPERTY IN THE THIRD DEGREE AS DEFINED IN SECTION 225.70 OF THIS ARTICLE AND THE FACE VALUE OF THE IMPROPER SUBSTITUTE PROPERTY EXCEEDS ONE THOUSAND DOLLARS; OR

2. HE OR SHE COMMITS THE OFFENSE OF POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE SECOND DEGREE AS DEFINED IN SUBDIVISION ONE OR TWO OF SECTION 225.75 OF THIS ARTICLE AND HAS BEEN PREVIOUSLY CONVICTED WITHIN THE PRECEDING FIVE YEARS OF ANY OFFENSE OF WHICH AN ESSENTIAL ELEMENT IS POSSESSION OF UNLAWFUL GAMING PROPERTY.

POSSESSION OF UNLAWFUL GAMING PROPERTY IN THE FIRST DEGREE IS A CLASS D FELONY.

S 225.85 USE OF UNLAWFUL GAMING PROPERTY.

A PERSON IS GUILTY OF USE OF UNLAWFUL GAMING PROPERTY WHEN HE OR SHE KNOWINGLY WITH INTENT TO DEFRAUD USES UNLAWFUL GAMING PROPERTY AT A PREMISES BEING USED FOR CASINO GAMING.

USE OF UNLAWFUL GAMING PROPERTY IS A CLASS E FELONY.

S 225.90 MANIPULATION OF GAMING OUTCOMES AT AN AUTHORIZED GAMING ESTABLISHMENT.

A PERSON IS GUILTY OF MANIPULATION OF GAMING OUTCOMES AT AN AUTHORIZED GAMING ESTABLISHMENT WHEN HE OR SHE:

1. KNOWINGLY CONDUCTS, OPERATES, DEALS OR OTHERWISE MANIPULATES, OR KNOWINGLY ALLOWS TO BE CONDUCTED, OPERATED, DEALT OR OTHERWISE MANIPULATED, CARDS, DICE OR GAMING EQUIPMENT OR DEVICE, FOR THEMSELVES OR FOR ANOTHER, THROUGH ANY TRICK OR SLEIGHT OF HAND PERFORMANCE, WITH THE INTENT OF DECEIVING OR ALTERING THE ELEMENTS OF CHANCE OR NORMAL RANDOM SELECTION WHICH DETERMINES THE RESULT OR OUTCOME OF THE GAME, OR THE AMOUNT OR FREQUENCY OF THE PAYMENT IN A GAME; OR

2. KNOWINGLY USES, CONDUCTS, OPERATES, DEALS, OR EXPOSES FOR PLAY, OR KNOWINGLY ALLOWS TO BE USED, CONDUCTED, OPERATED, DEALT OR EXPOSED FOR PLAY ANY CARDS, DICE OR GAMING EQUIPMENT OR DEVICE, OR ANY COMBINATION OF GAMING EQUIPMENT OR DEVICES, WHICH HAVE IN ANY MANNER BEEN ALTERED, MARKED OR TAMPERED WITH, OR PLACED IN A CONDITION, OR OPERATED IN A MANNER, THE RESULT OF WHICH TENDS TO DECEIVE OR TENDS TO ALTER THE ELEMENTS OF CHANCE OR NORMAL RANDOM SELECTION WHICH DETERMINE THE RESULT OF THE GAME OR OUTCOME, OR THE AMOUNT OR FREQUENCY OF THE PAYMENT IN A GAME; OR

3. KNOWINGLY USES, OR POSSESSES WITH THE INTENT TO USE, ANY CARDS, DICE OR OTHER GAMING EQUIPMENT OR DEVICES OTHER THAN THAT PROVIDED BY AN AUTHORIZED GAMING OPERATOR FOR CURRENT USE IN A PERMITTED GAMING ACTIVITY; OR

4. ALTERS OR MISREPRESENTS THE OUTCOME OF A GAME OR OTHER EVENT ON WHICH BETS OR WAGERS HAVE BEEN MADE AFTER THE OUTCOME IS MADE SURE BUT BEFORE IT IS REVEALED TO PLAYERS.

POSSESSION OF ALTERED, MARKED OR TAMPERED WITH DICE, CARDS, OR GAMING EQUIPMENT OR DEVICES AT AN AUTHORIZED GAMBLING ESTABLISHMENT IS PRESUMPTIVE EVIDENCE OF POSSESSION THEREOF WITH KNOWLEDGE OF ITS CHARACTER OR CONTENTS AND INTENTION TO USE SUCH ALTERED, MARKED OR TAMPERED WITH DICE, CARDS, OR GAMING EQUIPMENT OR DEVICES IN VIOLATION OF THIS SECTION.

MANIPULATION OF GAMING OUTCOMES AT AN AUTHORIZED GAMING ESTABLISHMENT IS A CLASS A MISDEMEANOR PROVIDED, HOWEVER, THAT IF THE PERSON HAS PREVIOUSLY BEEN CONVICTED OF THIS CRIME WITHIN THE PAST FIVE YEARS THIS CRIM SHALL BE A CLASS E FELONY.

S 225.95 UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, MARKING, ALTERING OR MODIFICATION OF EQUIPMENT AND DEVICES ASSOCIATED WITH GAMING.

A PERSON IS GUILTY OF UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, MARKING, ALTERING OR MODIFICATION OF EQUIPMENT AND DEVICES ASSOCIATED WITH GAMING WHEN IF HE OR SHE:

1. MANUFACTURES, SELLS OR DISTRIBUTES ANY CARDS, CHIPS, CHEQUES, TOKENS, DICE, VOUCHERS, GAME OR DEVICE AND HE OR SHE KNEW OR REASONABLY SHOULD HAVE KNOWN IT WAS INTENDED TO BE USED TO VIOLATE ANY PROVISION OF THIS ARTICLE; OR

2. MARKS, ALTERS OR OTHERWISE MODIFIES ANY ASSOCIATED GAMING EQUIPMENT OR DEVICE IN A MANNER THAT EITHER AFFECTS THE RESULT OF THE WAGER BY DETERMINING WIN OR LOSS OR ALTERS THE NORMAL CRITERIA OF RANDOM SELECTION IN A MANNER THAT AFFECTS THE OPERATION OF A GAME OR DETERMINES THE OUTCOME OF A GAME, AND HE OR SHE KNEW OR REASONABLY SHOULD HAVE KNOWN THAT IT WAS INTENDED TO BE USED TO VIOLATE ANY PROVISION OF THIS ARTICLE.

UNLAWFUL MANUFACTURE, SALE, DISTRIBUTION, MARKING, ALTERING OR MODIFICATION OF EQUIPMENT AND DEVICES ASSOCIATED WITH GAMING IS A CLASS A MISDEMEANOR PROVIDED, HOWEVER, THAT IF THE PERSON HAS PREVIOUSLY BEEN CONVICTED OF THIS CRIME WITHIN THE PAST FIVE YEARS THIS CRIM SHALL BE A CLASS E FELONY.

S 5. Section 109-a of the racing, pari-mutuel wagering and breeding law is REPEALED and a new section 109-a is added to read as follows:

S 109-A. SEPARATE BOARD FOR FACILITY SITING. THE COMMISSION SHALL ESTABLISH A SEPARATE BOARD TO BE KNOWN AS THE NEW YORK GAMING FACILITY LOCATION BOARD TO PERFORM DESIGNATED FUNCTIONS UNDER ARTICLE THIRTEEN OF THIS CHAPTER, THE FOLLOWING PROVISIONS SHALL APPLY TO THE BOARD:

1. THE COMMISSION SHALL SELECT FIVE MEMBERS AND NAME THE CHAIR OF THE BOARD. EACH MEMBER OF THE BOARD SHALL BE A RESIDENT OF THE STATE OF NEW YORK. NO MEMBER OF THE LEGISLATURE OR PERSON HOLDING ANY ELECTIVE OR APPOINTIVE OFFICE IN FEDERAL, STATE OR LOCAL GOVERNMENT SHALL BE ELIGIBLE TO SERVE AS A MEMBER OF THE BOARD.

2. QUALIFICATIONS OF MEMBERS. MEMBERS OF THE BOARD SHALL EACH POSSESS NO LESS THAN TEN YEARS OF RESPONSIBLE EXPERIENCE IN FISCAL MATTERS AND SHALL HAVE ANY ONE OR MORE OF THE FOLLOWING QUALIFICATIONS:

(A) SIGNIFICANT SERVICE AS AN ACCOUNTANT ECONOMIST, OR FINANCIAL ANALYST EXPERIENCED IN FINANCE OR ECONOMICS;

(B) SIGNIFICANT SERVICE IN AN ACADEMIC FIELD RELATING TO FINANCE OR ECONOMICS;

(C) SIGNIFICANT SERVICE AND KNOWLEDGE OF THE COMMERCIAL REAL ESTATE INDUSTRY; OR

(D) SIGNIFICANT SERVICE AS AN EXECUTIVE WITH FIDUCIARY RESPONSIBILITIES IN CHARGE OF A LARGE ORGANIZATION OR FOUNDATION.

3. NO MEMBER OF THE BOARD:

(A) MAY HAVE A CLOSE FAMILIAL OR BUSINESS RELATIONSHIP TO A PERSON THAT HOLDS A LICENSE UNDER THIS CHAPTER;

(B) MAY HAVE ANY DIRECT OR INDIRECT FINANCIAL INTEREST, OWNERSHIP, OR MANAGEMENT, INCLUDING HOLDING ANY STOCKS, BONDS, OR OTHER SIMILAR FINANCIAL INTERESTS IN ANY GAMING ACTIVITIES, INCLUDING HORSE RACING, LOTTERY OR GAMBLING;

1 (C) MAY RECEIVE OR SHARE IN, DIRECTLY OR INDIRECTLY, THE RECEIPTS OR
2 PROCEEDS OF ANY GAMING ACTIVITIES, INCLUDING HORSE RACING, LOTTERY OR
3 GAMBLING;

4 (D) MAY HAVE A BENEFICIAL INTEREST IN ANY CONTRACT FOR THE MANUFACTURE
5 OR SALE OF GAMING DEVICES, THE CONDUCT OF ANY GAMING ACTIVITY, OR THE
6 PROVISION OF ANY INDEPENDENT CONSULTING SERVICES IN CONNECTION WITH ANY
7 ESTABLISHMENT LICENSED UNDER THIS CHAPTER.

8 4. BOARD MEMBERS ARE ENTITLED TO ACTUAL AND NECESSARY EXPENSES
9 INCURRED IN THE DISCHARGE OF THEIR DUTIES BUT MAY NOT RECEIVE COMPEN-
10 SATION FOR THEIR SERVICE ON THE BOARD.

11 5. (A) THE COMMISSION SHALL PROVIDE STAFF TO THE BOARD.

12 (B) THE BOARD SHALL CONTRACT WITH AN OUTSIDE CONSULTANT TO PROVIDE
13 ANALYSIS OF THE GAMING INDUSTRY AND TO SUPPORT THE BOARD'S COMPREHENSIVE
14 REVIEW AND EVALUATION OF THE APPLICATIONS SUBMITTED TO THE BOARD FOR
15 GAMING FACILITY LICENSES.

16 (C) THE BOARD MAY CONTRACT WITH ATTORNEYS, ACCOUNTANTS, AUDITORS AND
17 FINANCIAL AND OTHER EXPERTS TO RENDER NECESSARY SERVICES.

18 (D) ALL OTHER STATE AGENCIES SHALL COOPERATE WITH AND ASSIST THE BOARD
19 IN THE FULFILLMENT OF ITS DUTIES UNDER THIS ARTICLE AND MAY RENDER SUCH
20 SERVICES TO THE BOARD WITHIN THEIR RESPECTIVE FUNCTIONS AS THE BOARD MAY
21 REASONABLY REQUEST.

22 6. UTILIZING THE POWERS AND DUTIES PRESCRIBED FOR IT BY ARTICLE THIR-
23 TEEN OF THIS CHAPTER, THE BOARD SHALL SELECT, THROUGH A COMPETITIVE
24 PROCESS CONSISTENT WITH PROVISIONS OF ARTICLE THIRTEEN OF THIS CHAPTER,
25 NOT MORE THAN FOUR GAMING FACILITY LICENSE APPLICANTS. SUCH SELECTEES
26 SHALL BE AUTHORIZED TO RECEIVE A GAMING FACILITY LICENSE, IF FOUND SUIT-
27 ABLE BY THE COMMISSION. THE BOARD MAY SELECT ANOTHER APPLICANT FOR
28 AUTHORIZATION TO BE LICENSED AS A GAMING FACILITY IF A PREVIOUS SELECTEE
29 FAILS TO MEET LICENSING THRESHOLDS, IS REVOKED OR SURRENDERS A LICENSE
30 OPPORTUNITY.

31 S 6. Subdivision 2 of section 99-h of the state finance law, as
32 amended by section 1 of part V of chapter 59 of the laws of 2006, is
33 amended to read as follows:

34 2. Such account shall consist of all revenues resulting from tribal-
35 state compacts executed pursuant to article two of the executive law
36 [and], a tribal-state compact with the St. Regis Mohawk tribe executed
37 pursuant to chapter five hundred ninety of the laws of two thousand four
38 AND THE ONEIDA SETTLEMENT AGREEMENT REFERENCED IN SECTION ELEVEN OF THE
39 EXECUTIVE LAW.

40 S 7. Subdivision 3 of section 99-h of the state finance law, as
41 amended by section 1 of part W of chapter 60 of the laws of 2011, is
42 amended to read as follows:

43 3. Moneys of the account, following the segregation of appropriations
44 enacted by the legislature, shall be available for purposes including
45 but not limited to: (a) reimbursements or payments to municipal govern-
46 ments that host tribal casinos pursuant to a tribal-state compact for
47 costs incurred in connection with services provided to such casinos or
48 arising as a result thereof, for economic development opportunities and
49 job expansion programs authorized by the executive law; provided, howev-
50 er, that for any gaming facility located in the city of Buffalo, the
51 city of Buffalo shall receive a minimum of twenty-five percent of the
52 negotiated percentage of the net drop from electronic gaming devices the
53 state receives pursuant to the compact, and provided further that for
54 any gaming facility located in the city of Niagara Falls, county of
55 Niagara a minimum of twenty-five percent of the negotiated percentage of
56 the net drop from electronic gaming devices the state receives pursuant

1 to the compact shall be distributed in accordance with subdivision four
2 of this section, and provided further that for any gaming facility
3 located in the county or counties of Cattaraugus, Chautauqua or Allega-
4 ny, the municipal governments of the state hosting the facility shall
5 collectively receive a minimum of twenty-five percent of the negotiated
6 percentage of the net drop from electronic gaming devices the state
7 receives pursuant to the compact; and provided further that pursuant to
8 chapter five hundred ninety of the laws of two thousand four, a minimum
9 of twenty-five percent of the revenues received by the state pursuant to
10 the state's compact with the St. Regis Mohawk tribe shall be made avail-
11 able to the counties of Franklin and St. Lawrence, and affected towns in
12 such counties. Each such county and its affected towns shall receive
13 fifty percent of the moneys made available by the state; AND PROVIDED
14 FURTHER THAT THE STATE SHALL ANNUALLY MAKE TWENTY-FIVE PERCENT OF THE
15 NEGOTIATED PERCENTAGE OF THE NET DROP FROM ALL GAMING DEVICES THE STATE
16 ACTUALLY RECEIVES PURSUANT TO THE ONEIDA SETTLEMENT AGREEMENT CONFIRMED
17 BY SECTION ELEVEN OF THE EXECUTIVE LAW AS AVAILABLE TO THE COUNTY OF
18 ONEIDA, AND A SUM OF THREE AND ONE-HALF MILLION DOLLARS TO THE COUNTY OF
19 MADISON. ADDITIONALLY, THE STATE SHALL DISTRIBUTE FOR A PERIOD OF NINE-
20 TEEN AND ONE-QUARTER YEARS, AN ADDITIONAL ANNUAL SUM OF TWO AND ONE-HALF
21 MILLION DOLLARS TO THE COUNTY OF ONEIDA. ADDITIONALLY, THE STATE SHALL
22 DISTRIBUTE THE ONE-TIME ELEVEN MILLION DOLLAR PAYMENT RECEIVED BY THE
23 STATE PURSUANT TO SUCH AGREEMENT WITH THE ONEIDA NATION OF NEW YORK TO
24 THE COUNTY OF MADISON BY WIRE TRANSFER UPON RECEIPT OF SUCH PAYMENT BY
25 THE STATE; and (b) support and services of treatment programs for
26 persons suffering from gambling addictions. Moneys not segregated for
27 such purposes shall be transferred to the general fund for the support
28 of government during the fiscal year in which they are received.

29 S 7-a. Subdivision 3 of section 99-h of the state finance law, as
30 amended by section 1 of part QQ of chapter 59 of the laws of 2009, is
31 amended to read as follows:

32 3. Moneys of the account, following appropriation by the legislature,
33 shall be available for purposes including but not limited to: (a)
34 reimbursements or payments to municipal governments that host tribal
35 casinos pursuant to a tribal-state compact for costs incurred in
36 connection with services provided to such casinos or arising as a result
37 thereof, for economic development opportunities and job expansion
38 programs authorized by the executive law; provided, however, that for
39 any gaming facility located in the city of Buffalo, the city of Buffalo
40 shall receive a minimum of twenty-five percent of the negotiated
41 percentage of the net drop from electronic gaming devices the state
42 receives pursuant to the compact, and provided further that for any
43 gaming facility located in the city of Niagara Falls, county of Niagara
44 a minimum of twenty-five percent of the negotiated percentage of the net
45 drop from electronic gaming devices the state receives pursuant to the
46 compact shall be distributed in accordance with subdivision four of this
47 section, and provided further that for any gaming facility located in
48 the county or counties of Cattaraugus, Chautauqua or Allegany, the
49 municipal governments of the state hosting the facility shall collec-
50 tively receive a minimum of twenty-five percent of the negotiated
51 percentage of the net drop from electronic gaming devices the state
52 receives pursuant to the compact; and provided further that pursuant to
53 chapter five hundred ninety of the laws of two thousand four, a minimum
54 of twenty-five percent of the revenues received by the state pursuant to
55 the state's compact with the St. Regis Mohawk tribe shall be made avail-
56 able to the counties of Franklin and St. Lawrence, and affected towns in

1 such counties. Each such county and its affected towns shall receive
2 fifty percent of the moneys made available by the state; AND PROVIDED
3 FURTHER THAT THE STATE SHALL ANNUALLY MAKE TWENTY-FIVE PERCENT OF THE
4 NEGOTIATED PERCENTAGE OF THE NET DROP FROM ALL GAMING DEVICES THE STATE
5 ACTUALLY RECEIVES PURSUANT TO THE ONEIDA SETTLEMENT AGREEMENT AS
6 CONFIRMED BY SECTION ELEVEN OF THE EXECUTIVE LAW AS AVAILABLE TO THE
7 COUNTY OF ONEIDA, AND A SUM OF THREE AND ONE-HALF MILLION DOLLARS TO THE
8 COUNTY OF MADISON. ADDITIONALLY, THE STATE SHALL DISTRIBUTE FOR A PERIOD
9 OF NINETEEN AND ONE-QUARTER YEARS, AN ADDITIONAL ANNUAL SUM OF TWO AND
10 ONE-HALF MILLION DOLLARS TO THE COUNTY OF ONEIDA. ADDITIONALLY, THE
11 STATE SHALL DISTRIBUTE THE ONE-TIME ELEVEN MILLION DOLLAR PAYMENT
12 RECEIVED BY THE STATE PURSUANT TO SUCH AGREEMENT WITH THE ONEIDA NATION
13 OF NEW YORK TO THE COUNTY OF MADISON BY WIRE TRANSFER UPON RECEIPT OF
14 SUCH PAYMENT BY THE STATE; and (b) support and services of treatment
15 programs for persons suffering from gambling addictions. Moneys not
16 appropriated for such purposes shall be transferred to the general fund
17 for the support of government during the fiscal year in which they are
18 received.

19 S 8. Subdivision 3 of section 99-h of the state finance law, as
20 amended by section 23 of part HH of chapter 57 of the laws of 2013, is
21 amended to read as follows:

22 3. Moneys of the account, following the segregation of appropriations
23 enacted by the legislature, shall be available for purposes including
24 but not limited to: (a) reimbursements or payments to municipal govern-
25 ments that host tribal casinos pursuant to a tribal-state compact for
26 costs incurred in connection with services provided to such casinos or
27 arising as a result thereof, for economic development opportunities and
28 job expansion programs authorized by the executive law; provided, howev-
29 er, that for any gaming facility located in the county of Erie or
30 Niagara, the municipal governments hosting the facility shall collec-
31 tively receive a minimum of twenty-five percent of the negotiated
32 percentage of the net drop from electronic gaming devices the state
33 receives pursuant to the compact and provided further that for any
34 gaming facility located in the county or counties of Cattaraugus, Chau-
35 tauqua or Allegany, the municipal governments of the state hosting the
36 facility shall collectively receive a minimum of twenty-five percent of
37 the negotiated percentage of the net drop from electronic gaming devices
38 the state receives pursuant to the compact; and provided further that
39 pursuant to chapter five hundred ninety of the laws of two thousand
40 four, a minimum of twenty-five percent of the revenues received by the
41 state pursuant to the state's compact with the St. Regis Mohawk tribe
42 shall be made available to the counties of Franklin and St. Lawrence,
43 and affected towns in such counties. Each such county and its affected
44 towns shall receive fifty percent of the moneys made available by the
45 state; AND PROVIDED FURTHER THAT THE STATE SHALL ANNUALLY MAKE
46 TWENTY-FIVE PERCENT OF THE NEGOTIATED PERCENTAGE OF THE NET DROP FROM
47 ALL GAMING DEVICES THE STATE ACTUALLY RECEIVES PURSUANT TO THE ONEIDA
48 SETTLEMENT AGREEMENT CONFIRMED BY SECTION ELEVEN OF THE EXECUTIVE LAW
49 AVAILABLE TO THE COUNTY OF ONEIDA, AND A SUM OF THREE AND ONE-HALF
50 MILLION DOLLARS TO THE COUNTY OF MADISON. ADDITIONALLY, THE STATE SHALL
51 DISTRIBUTE, FOR A PERIOD OF NINETEEN AND ONE-QUARTER YEARS, AN ADDI-
52 TIONAL ANNUAL SUM OF TWO AND ONE-HALF MILLION DOLLARS TO THE COUNTY OF
53 ONEIDA. ADDITIONALLY, THE STATE SHALL DISTRIBUTE THE ONE-TIME ELEVEN
54 MILLION DOLLAR PAYMENT ACTUALLY RECEIVED BY THE STATE PURSUANT TO THE
55 ONEIDA SETTLEMENT AGREEMENT TO THE COUNTY OF MADISON BY WIRE TRANSFER
56 UPON RECEIPT OF SUCH PAYMENT BY THE STATE; and (b) support and services

1 of treatment programs for persons suffering from gambling addictions.
2 Moneys not segregated for such purposes shall be transferred to the
3 general fund for the support of government during the fiscal year in
4 which they are received.

5 S 9. Section 99-h of the state finance law, as amended by chapter 747
6 of the laws of 2006, is amended by adding a new subdivision 3-a to read
7 as follows:

8 3-A. TEN PERCENT OF ANY OF THE FUNDS ACTUALLY RECEIVED BY THE STATE
9 PURSUANT TO THE TRIBAL-STATE COMPACTS AND AGREEMENTS DESCRIBED IN SUBDI-
10 VISION TWO OF THIS SECTION THAT ARE RETAINED IN THE FUND AFTER THE
11 DISTRIBUTIONS REQUIRED BY SUBDIVISION THREE OF THIS SECTION, BUT PRIOR
12 TO THE TRANSFER OF UNSEGREGATED MONEYS TO THE GENERAL FUND REQUIRED BY
13 SUCH SUBDIVISION, SHALL BE DISTRIBUTED TO COUNTIES IN EACH RESPECTIVE
14 EXCLUSIVITY ZONE PROVIDED THEY DO NOT OTHERWISE RECEIVE A SHARE OF SAID
15 REVENUES PURSUANT TO THIS SECTION. SUCH DISTRIBUTION SHALL BE MADE AMONG
16 SUCH COUNTIES ON A PER CAPITA BASIS, EXCLUDING THE POPULATION OF ANY
17 MUNICIPALITY THAT RECEIVES A DISTRIBUTION PURSUANT TO SUBDIVISION THREE
18 OF THIS SECTION.

19 S 10. The state finance law is amended by adding a new section 97-nnnn
20 to read as follows:

21 S 97-NNNN. COMMERCIAL GAMING REVENUE FUND. 1. THERE IS HEREBY ESTAB-
22 LISHED IN THE JOINT CUSTODY OF THE COMPTROLLER AND THE COMMISSIONER OF
23 TAXATION AND FINANCE AN ACCOUNT IN THE MISCELLANEOUS SPECIAL REVENUE
24 FUND TO BE KNOWN AS THE "COMMERCIAL GAMING REVENUE FUND".

25 2. SUCH ACCOUNT SHALL CONSIST OF ALL REVENUES FROM ALL TAXES AND FEES
26 IMPOSED BY ARTICLE THIRTEEN OF THE RACING, PARI-MUTUEL WAGERING AND
27 BREEDING LAW; ANY INTEREST AND PENALTIES IMPOSED BY THE NEW YORK STATE
28 GAMING COMMISSION RELATING TO THOSE TAXES; THE PERCENTAGE OF THE VALUE
29 OF EXPIRED GAMING RELATED OBLIGATIONS; AND ALL PENALTIES LEVIED AND
30 COLLECTED BY THE COMMISSION. ADDITIONALLY, THE STATE GAMING COMMISSION
31 SHALL PAY INTO THE ACCOUNT ANY APPROPRIATE FUNDS, CASH OR PRIZES
32 FORFEITED FROM GAMBLING ACTIVITY.

33 3. MONEYS OF THE ACCOUNT SHALL BE AVAILABLE AS FOLLOWS, UNLESS OTHER-
34 WISE SPECIFIED BY THE UPSTATE NEW YORK GAMING ECONOMIC DEVELOPMENT ACT
35 OF TWO THOUSAND THIRTEEN, FOLLOWING APPROPRIATION BY THE LEGISLATURE:

36 A. EIGHTY PERCENT OF THE MONEYS IN SUCH FUND SHALL BE APPROPRIATED OR
37 TRANSFERRED ONLY FOR ELEMENTARY AND SECONDARY EDUCATION OR REAL PROPERTY
38 TAX RELIEF.

39 B. TEN PERCENT OF THE MONEYS IN SUCH FUND SHALL BE APPROPRIATED OR
40 TRANSFERRED FROM THE COMMERCIAL GAMING REVENUE FUND EQUALLY BETWEEN THE
41 HOST MUNICIPALITY AND HOST COUNTY.

42 C. TEN PERCENT OF THE MONEYS IN SUCH FUND, AS ATTRIBUTABLE TO A
43 SPECIFIC LICENSED GAMING FACILITY, SHALL BE APPROPRIATED OR TRANSFERRED
44 FROM THE COMMERCIAL GAMING REVENUE FUND AMONG COUNTIES WITHIN THE
45 REGION, AS DEFINED BY SECTION ONE THOUSAND THREE HUNDRED TEN OF THE
46 RACING, PARI-MUTUEL WAGERING AND BREEDING LAW, HOSTING SAID FACILITY FOR
47 THE PURPOSE OF REAL PROPERTY TAX RELIEF AND FOR EDUCATION ASSISTANCE.
48 SUCH DISTRIBUTION SHALL BE MADE AMONG THE COUNTIES ON A PER CAPITA
49 BASIS, SUBTRACTING THE POPULATION OF HOST MUNICIPALITY AND COUNTY.

50 4. A. AS USED IN THIS SECTION, THE TERM "BASE YEAR GAMING REVENUE"
51 SHALL MEAN THE SUM OF ALL REVENUE GENERATED TO SUPPORT EDUCATION FROM
52 VIDEO LOTTERY GAMING AS DEFINED BY SECTION SIXTEEN HUNDRED SEVENTEEN-A
53 OF THE TAX LAW IN THE TWELVE MONTHS PRECEDING THE OPERATION OF ANY
54 GAMING FACILITY PURSUANT TO EITHER ARTICLE THIRTEEN OF THE RACING,
55 PARI-MUTUEL WAGERING AND BREEDING LAW OR PURSUANT TO PARAGRAPH FOUR OF
56 SECTION ONE THOUSAND SIX HUNDRED SEVENTEEN-A OF THE TAX LAW.

1 B. AMOUNTS TRANSFERRED IN ANY YEAR TO SUPPORT ELEMENTARY AND SECONDARY
2 EDUCATION SHALL BE CALCULATED AS FOLLOWS:

3 (I) AN AMOUNT EQUAL TO THE POSITIVE DIFFERENCE, IF ANY, BETWEEN THE
4 BASE YEAR GAMING REVENUE AMOUNT AND THE SUM OF ALL REVENUE GENERATED TO
5 SUPPORT EDUCATION FROM VIDEO LOTTERY GAMING AS DEFINED BY SECTION
6 SIXTEEN HUNDRED SEVENTEEN-A OF THE TAX LAW IN THE CURRENT FISCAL YEAR
7 PROVIDED THAT SUCH POSITIVE AMOUNT, IF ANY, SHALL BE TRANSFERRED TO THE
8 STATE LOTTERY FUND; AND

9 (II) THE AMOUNT OF REVENUE COLLECTED IN THE PRIOR STATE FISCAL YEAR,
10 TO BE DISTRIBUTED PURSUANT TO PARAGRAPH A OF SUBDIVISION THREE OF THIS
11 SECTION, AND IN EXCESS OF ANY AMOUNTS TRANSFERRED PURSUANT TO SUBPARA-
12 GRAPH (I) OF THIS PARAGRAPH IN SUCH PRIOR FISCAL YEAR, IF ANY.

13 C. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, AMOUNTS
14 APPROPRIATED OR TRANSFERRED FROM THE COMMERCIAL GAMING REVENUE FUND
15 PURSUANT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL NOT BE INCLUDED
16 IN: (I) THE ALLOWABLE GROWTH AMOUNT COMPUTED PURSUANT TO PARAGRAPH DD OF
17 SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THE EDUCATION LAW,
18 (II) THE PRELIMINARY GROWTH AMOUNT COMPUTED PURSUANT TO PARAGRAPH FF OF
19 SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THE EDUCATION LAW,
20 AND (III) THE ALLOCABLE GROWTH AMOUNT COMPUTED PURSUANT TO PARAGRAPH GG
21 OF SUBDIVISION ONE OF SECTION THIRTY-SIX HUNDRED TWO OF THE EDUCATION
22 LAW.

23 5. NOTWITHSTANDING THE FOREGOING, MONIES RECEIVED PURSUANT TO:

24 A. SECTIONS ONE THOUSAND THREE HUNDRED FORTY-FIVE AND ONE THOUSAND
25 THREE HUNDRED FORTY-EIGHT OF THIS ARTICLE SHALL BE EXCLUSIVELY APPROPRI-
26 ATED TO THE OFFICE OF ALCOHOLISM AND SUBSTANCE ABUSE SERVICES TO BE USED
27 FOR PROBLEM GAMBLING EDUCATION AND TREATMENT PURPOSES.

28 B. SECTION ONE THOUSAND THREE HUNDRED FORTY-NINE OF THIS ARTICLE SHALL
29 BE EXCLUSIVELY APPROPRIATED TO THE COMMISSION FOR REGULATORY INVESTI-
30 GATIONS.

31 C. SECTION ONE THOUSAND THREE HUNDRED FIFTY OF THIS ARTICLE SHALL BE
32 EXCLUSIVELY APPROPRIATED TO THE COMMISSION FOR COSTS REGULATION.

33 S 11. The penal law is amended by adding a new section 156.40 to read
34 as follows:

35 S 156.40 OPERATING AN UNLAWFUL ELECTRONIC SWEEPSTAKES.

36 1. AS USED IN THIS SECTION THE FOLLOWING WORDS AND TERMS SHALL HAVE
37 THE FOLLOWING MEANINGS:

38 (A) "ELECTRONIC MACHINE OR DEVICE" MEANS A MECHANICALLY, ELECTRICALLY
39 OR ELECTRONICALLY OPERATED MACHINE OR DEVICE THAT IS OWNED, LEASED OR
40 OTHERWISE POSSESSED BY A SWEEPSTAKES SPONSOR OR PROMOTER, OR ANY SPON-
41 SORS, PROMOTERS, PARTNERS, AFFILIATES, SUBSIDIARIES OR CONTRACTORS THER-
42 EOF; THAT IS INTENDED TO BE USED BY A SWEEPSTAKES ENTRANT; THAT USES
43 ENERGY; AND THAT DISPLAYS THE RESULTS OF A GAME ENTRY OR GAME OUTCOME TO
44 A PARTICIPANT ON A SCREEN OR OTHER MECHANISM AT A BUSINESS LOCATION,
45 INCLUDING A PRIVATE CLUB; PROVIDED, THAT AN ELECTRONIC MACHINE OR DEVICE
46 MAY, WITHOUT LIMITATION:

47 (1) BE SERVER-BASED;

48 (2) USE A SIMULATED GAME TERMINAL AS A REPRESENTATION OF THE PRIZES
49 ASSOCIATED WITH THE RESULTS OF THE SWEEPSTAKES ENTRIES;

50 (3) UTILIZE SOFTWARE SUCH THAT THE SIMULATED GAME INFLUENCES OR DETER-
51 MINES THE WINNING OR VALUE OF THE PRIZE;

52 (4) SELECT PRIZES FROM A PREDETERMINED FINITE POOL OF ENTRIES;

53 (5) UTILIZE A MECHANISM THAT REVEALS THE CONTENT OF A PREDETERMINED
54 SWEEPSTAKES ENTRY;

55 (6) PREDETERMINE THE PRIZE RESULTS AND STORES THOSE RESULTS FOR DELIV-
56 ERY AT THE TIME THE SWEEPSTAKES ENTRY RESULTS ARE REVEALED;

(7) UTILIZE SOFTWARE TO CREATE A GAME RESULT;

(8) REQUIRE DEPOSIT OF ANY MONEY, COIN OR TOKEN, OR THE USE OF ANY CREDIT CARD, DEBIT CARD, PREPAID CARD OR ANY OTHER METHOD OF PAYMENT TO ACTIVATE THE ELECTRONIC MACHINE OR DEVICE;

(9) REQUIRE DIRECT PAYMENT INTO THE ELECTRONIC MACHINE OR DEVICE, OR REMOTE ACTIVATION OF THE ELECTRONIC MACHINE OR DEVICE;

(10) REQUIRE PURCHASE OF A RELATED PRODUCT HAVING LEGITIMATE VALUE;

(11) REVEAL THE PRIZE INCREMENTALLY, EVEN THOUGH IT MAY NOT INFLUENCE IF A PRIZE IS AWARDED OR THE VALUE OF ANY PRIZE AWARDED;

(12) DETERMINE AND ASSOCIATE THE PRIZE WITH AN ENTRY OR ENTRIES AT THE TIME THE SWEEPSTAKES IS ENTERED; OR

(13) BE A SLOT MACHINE OR OTHER FORM OF ELECTRICAL, MECHANICAL, OR COMPUTER GAME.

(B) "ENTER" OR "ENTRY" MEANS THE ACT OR PROCESS BY WHICH A PERSON BECOMES ELIGIBLE TO RECEIVE ANY PRIZE OFFERED IN A SWEEPSTAKES.

(C) "ENTERTAINING DISPLAY" MEANS ANY VISUAL INFORMATION, CAPABLE OF BEING SEEN BY A SWEEPSTAKES ENTRANT, THAT TAKES THE FORM OF ACTUAL GAME PLAY OR SIMULATED GAME PLAY.

(D) "PRIZE" MEANS ANY GIFT, AWARD, GRATUITY, GOOD, SERVICE, CREDIT OR ANYTHING ELSE OF VALUE, WHICH MAY BE TRANSFERRED TO A PERSON, WHETHER POSSESSION OF THE PRIZE IS ACTUALLY TRANSFERRED, OR PLACED ON AN ACCOUNT OR OTHER RECORD AS EVIDENCE OF THE INTENT TO TRANSFER THE PRIZE.

(E) "SWEEPSTAKES" MEANS ANY GAME, ADVERTISING SCHEME OR PLAN, OR OTHER PROMOTION, WHICH, WITH OR WITHOUT PAYMENT OF ANY CONSIDERATION, A PERSON MAY ENTER TO WIN OR BECOME ELIGIBLE TO RECEIVE ANY PRIZE, THE DETERMINATION OF WHICH IS BASED UPON CHANCE.

2. A PERSON IS GUILTY OF OPERATING AN UNLAWFUL ELECTRONIC SWEEPSTAKES WHEN HE OR SHE KNOWINGLY POSSESSES WITH THE INTENT TO OPERATE, OR PLACE INTO OPERATION, AN ELECTRONIC MACHINE OR DEVICE TO:

(A) CONDUCT A SWEEPSTAKES THROUGH THE USE OF AN ENTERTAINING DISPLAY, INCLUDING THE ENTRY PROCESS OR THE REVEAL OF A PRIZE; OR

(B) PROMOTE A SWEEPSTAKES THAT IS CONDUCTED THROUGH THE USE OF AN ENTERTAINING DISPLAY, INCLUDING THE ENTRY PROCESS OR THE REVEAL OF A PRIZE.

3. NOTHING IN THIS SECTION SHALL BE CONSTRUED TO MAKE ILLEGAL ANY ACTIVITY WHICH IS LAWFULLY CONDUCTED AS THE NEW YORK STATE LOTTERY FOR EDUCATION AS AUTHORIZED BY ARTICLE THIRTY-FOUR OF THE TAX LAW; PARI-MUTUEL WAGERING ON HORSE RACES AS AUTHORIZED BY ARTICLES TWO, THREE, FOUR, FIVE-A, AND TEN OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW; THE GAME OF BINGO AS AUTHORIZED PURSUANT TO ARTICLE FOURTEEN-H OF THE GENERAL MUNICIPAL LAW; GAMES OF CHANCE AS AUTHORIZED PURSUANT TO ARTICLE NINE-A OF THE GENERAL MUNICIPAL LAW; GAMING AS AUTHORIZED BY ARTICLE THIRTEEN OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW; OR PURSUANT TO THE FEDERAL INDIAN GAMING REGULATORY ACT.

OPERATING AN UNLAWFUL ELECTRONIC SWEEPSTAKES IS A CLASS E FELONY.

S 12. The legislature hereby finds that long-standing disputes between the Oneida Nation of New York and the State of New York, Madison County and Oneida County, have generated litigation in state and federal courts regarding property and other taxation, the status of Oneida Nation lands and transfer of such lands to the United States to be held in trust for the Oneida Nation, and that such litigation and disputes have caused decades of unrest and uncertainty for the citizens and residents of the Central New York region of this state. The legislature further finds that it is in the best interests of all citizens, residents and political subdivisions of this state to remove any uncertainty that such litigation or disputes have created regarding the title to and jurisdic-

tional status of land within the state. The legislature recognizes that negotiated settlement of these disputes will facilitate a cooperative relationship between the state, the counties and the Oneida Nation. Therefore, the legislature declares that the following provisions are enacted to implement the settlement agreement that has been negotiated and executed by the governor on behalf of the people of this state.

S 13. Section 11 of the executive law is REPEALED and a new section 11 is added to read as follows:

S 11. INDIAN SETTLEMENT AGREEMENTS. 1. ONEIDA SETTLEMENT AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, UPON FILING WITH THE SECRETARY OF STATE, THE SETTLEMENT AGREEMENT EXECUTED BETWEEN THE GOVERNOR, THE COUNTIES OF ONEIDA AND MADISON, AND THE ONEIDA NATION OF NEW YORK DATED THE SIXTEENTH DAY OF MAY, TWO THOUSAND THIRTEEN, TO BE KNOWN AS THE ONEIDA SETTLEMENT AGREEMENT, INCLUDING, WITHOUT LIMITATION, THE PROVISIONS CONTAINED THEREIN RELATING TO ARBITRATION AND JUDICIAL REVIEW IN STATE OR FEDERAL COURTS AND, FOR THE SOLE PURPOSE THEREOF, A LIMITED WAIVER OF THE STATE'S ELEVENTH AMENDMENT SOVEREIGN IMMUNITY FROM SUIT, SHALL UPON ITS EFFECTIVE DATE BE DEEMED APPROVED, RATIFIED, VALIDATED AND CONFIRMED BY THE LEGISLATURE. IT IS THE INTENTION OF THE LEGISLATURE IN ENACTING THIS SECTION TO ENSURE THAT THE SETTLEMENT AGREEMENT SHALL BE FULLY ENFORCEABLE IN ALL RESPECTS AS TO THE RIGHTS, BENEFITS, RESPONSIBILITIES AND PRIVILEGES OF ALL PARTIES THERETO.

S 14. Notwithstanding any inconsistent provision of law, the Nation-State compact entered into by the State on April 16, 1993 and approved by the United States Department of the Interior on June 4, 1993, which approval was published at 58 Fed. Reg. 33160 (June 15, 1993), is deemed ratified, validated and confirmed nunc pro tunc by the legislature.

S 15. Sections 2 and 3 of the Indian law are renumbered sections 3 and 4 and a new section 2 is added to read as follows:

S 2. NEW YORK STATE INDIAN NATIONS AND TRIBES. THE TERM "INDIAN NATION OR TRIBE" MEANS ONE OF THE FOLLOWING NEW YORK STATE INDIAN NATIONS OR TRIBES: CAYUGA NATION, ONEIDA NATION OF NEW YORK, ONONDAGA NATION, POOSPATUCK OR UNKECHAUGE NATION, SAINT REGIS MOHAWK TRIBE, SENECA NATION OF INDIANS, SHINNECOCK INDIAN NATION, TONAWANDA BAND OF SENECA AND TUSCARORAN NATION.

S 16. The Indian law is amended by adding a new section 16 to read as follows:

S 16. INDIAN SETTLEMENT AGREEMENTS. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE PROVISIONS OF THE ONEIDA SETTLEMENT AGREEMENT REFERENCED IN SECTION ELEVEN OF THE EXECUTIVE LAW SHALL BE DEEMED TO SUPERSEDE ANY INCONSISTENT LAWS AND REGULATIONS.

S 17. Subdivision 18 of section 282 of the tax law, as added by section 3 of part K of chapter 61 of the laws of 2005, is amended to read as follows:

18. "Indian nation or tribe" means one of the following New York state Indian nations or tribes: Cayuga [Indian] Nation [of New York], Oneida [Indian] Nation of New York, Onondaga Nation [of Indians], Poospatuck or Unkechaugue Nation, [St.] SAINT Regis Mohawk TRIBE, Seneca Nation of Indians, Shinnecock [Tribe] INDIAN NATION, Tonawanda Band of [Senecas] SENECA and Tuscarora Nation [of Indians].

S 18. Subdivision 14 of section 470 of the tax law, as added by section 1 of part K of chapter 61 of the laws of 2005, is amended to read as follows:

14. "Indian nation or tribe." One of the following New York state Indian nations or tribes: Cayuga [Indian] Nation [of New York], Oneida [Indian] Nation of New York, Onondaga Nation [of Indians], Poospatuck or

1 Unkechaug Nation, [St.] SAINT Regis Mohawk TRIBE, Seneca Nation of
2 Indians, Shinnecock [Tribe] INDIAN NATION, Tonawanda Band of [Senecas]
3 SENECA and Tuscarora Nation [of Indians].

4 S 19. Intentionally omitted.

5 S 20. Intentionally omitted.

6 S 21. Intentionally omitted.

7 S 22. Intentionally omitted.

8 S 23. Intentionally omitted.

9 S 24. Intentionally omitted.

10 S 25. Section 104 of the racing, pari-mutuel wagering and breeding law
11 is amended by adding a new subdivision 21 to read as follows:

12 21. THE COMMISSION SHALL PROMPTLY MAKE AVAILABLE FOR PUBLIC INSPECTION
13 AND COPYING VIA ELECTRONIC CONNECTION TO THE COMMISSION'S WEBSITE A COPY
14 OF ANY REPORT RECEIVED FROM THE NEW YORK STATE BOARD OF ELECTIONS PURSU-
15 ANT TO ARTICLE FOURTEEN OF THE ELECTION LAW.

16 S 26. Section 1617-a of the tax law is amended by adding a new subdi-
17 vision g to read as follows:

18 G. EVERY VIDEO LOTTERY GAMING LICENSE, AND EVERY RENEWAL LICENSE,
19 SHALL BE VALID FOR A PERIOD OF FIVE YEARS, EXCEPT THAT VIDEO GAMING
20 LICENSES ISSUED BEFORE THE EFFECTIVE DATE OF THIS SUBDIVISION SHALL BE
21 FOR A TERM EXPIRING ON JUNE THIRTIETH, TWO THOUSAND FOURTEEN.

22 THE GAMING COMMISSION MAY DECLINE TO RENEW ANY LICENSE AFTER NOTICE
23 AND AN OPPORTUNITY FOR HEARING IF IT DETERMINES THAT:

24 (1) THE LICENSEE HAS VIOLATED SECTION ONE THOUSAND SIX HUNDRED SEVEN
25 OF THIS ARTICLE;

26 (2) THE LICENSEE HAS VIOLATED ANY RULE, REGULATION OR ORDER OF THE
27 GAMING COMMISSION;

28 (3) THE APPLICANT OR ITS OFFICERS, DIRECTORS OR SIGNIFICANT STOCKHOLD-
29 ERS, AS DETERMINED BY THE GAMING COMMISSION, HAVE BEEN CONVICTED OF A
30 CRIME INVOLVING MORAL TURPITUDE; OR

31 (4) THAT THE CHARACTER OR FITNESS OF THE LICENSEE AND ITS OFFICERS,
32 DIRECTORS, AND SIGNIFICANT STOCKHOLDERS, AS DETERMINED BY THE GAMING
33 COMMISSION IS SUCH THAT THE PARTICIPATION OF THE APPLICANT IN VIDEO
34 LOTTERY GAMING OR RELATED ACTIVITIES WOULD BE INCONSISTENT WITH THE
35 PUBLIC INTEREST, CONVENIENCE OR NECESSITY OR WITH THE BEST INTERESTS OF
36 VIDEO GAMING GENERALLY.

37 (H) THE GAMING COMMISSION, SUBJECT TO NOTICE AND AN OPPORTUNITY FOR
38 HEARING, MAY REVOKE, SUSPEND, AND CONDITION THE LICENSE OF THE VIDEO
39 GAMING LICENSEE, ORDER THE VIDEO GAMING LICENSEE TO TERMINATE THE
40 CONTINUED APPOINTMENT, POSITION OR EMPLOYMENT OF OFFICERS AND DIRECTORS,
41 OR ORDER THE VIDEO GAMING LICENSEE TO REQUIRE SIGNIFICANT STOCKHOLDERS
42 TO DIVEST THEMSELVES OF ALL INTERESTS IN THE VIDEO GAMING LICENSEE.

43 S 27. Clause (G) of subparagraph (ii) of paragraph 1 of subdivision b
44 of section 1612 of the tax law is REPEALED and a new clause (G) is added
45 to read as follows:

46 (G) NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, WHEN A VENDOR TRACK
47 IS LOCATED WITHIN REGIONS ONE, TWO, OR FIVE OF DEVELOPMENT ZONE TWO AS
48 DEFINED BY SECTION THIRTEEN HUNDRED TEN OF THE RACING, PARI-MUTUEL
49 WAGERING AND BREEDING LAW, SUCH VENDOR TRACK SHALL RECEIVE AN ADDITIONAL
50 COMMISSION AT A RATE EQUAL TO THE PERCENTAGE OF REVENUE WAGERED AT THE
51 VENDOR TRACK AFTER PAYOUT FOR PRIZES PURSUANT TO THIS CHAPTER LESS TEN
52 PERCENT RETAINED BY THE COMMISSION FOR OPERATION, ADMINISTRATION, AND
53 PROCUREMENT PURPOSES AND PAYMENT OF THE VENDOR'S FEE, MARKETING ALLOW-
54 ANCE, AND CAPITAL AWARD PAID PURSUANT TO THIS CHAPTER AND THE EFFECTIVE
55 TAX RATE PAID ON ALL GROSS GAMING REVENUE PAID BY A GAMING FACILITY
56 WITHIN THE SAME REGION PURSUANT TO SECTION THIRTEEN HUNDRED FIFTY-ONE OF

THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW. THE ADDITIONAL COMMISSION SHALL BE PAID TO THE VENDOR TRACK WITHIN SIXTY DAYS AFTER THE CONCLUSION OF THE STATE FISCAL YEAR BASED ON THE CALCULATED PERCENTAGE DURING THE PREVIOUS FISCAL YEAR.

S 28. Intentionally omitted.

S 29. Intentionally omitted.

S 30. The opening paragraph of subparagraph (ii) of paragraph 1 of subdivision b of section 1612 of the tax law, as amended by section 6 of part K of chapter 57 of the laws of 2010, is amended to read as follows: less a vendor's fee the amount of which is to be paid for serving as a lottery agent to the track operator of a vendor track OR THE OPERATOR OF A RESORT FACILITY:

S 31. Section 1 of part HH of chapter 57 of the laws of 2013 relating to providing for the administration of certain funds and accounts related to the 2013-14 budget, is amended by adding a new subdivision 39 to read as follows:

39. COMMERCIAL GAMING REVENUE FUND:

A. COMMERCIAL GAMING REVENUE ACCOUNT.

S 32. Subdivision a of section 1617-a of the tax law, as amended by section 2 of part O-1 of chapter 57 of the laws of 2009, is amended to read as follows:

a. The division of the lottery is hereby authorized to license, pursuant to rules and regulations to be promulgated by the division of the lottery, the operation of video lottery gaming:

(1) at Aqueduct, Monticello, Yonkers, Finger Lakes, and Vernon Downs racetracks,

(2) or at any other racetrack licensed pursuant to article three of the racing, pari-mutuel wagering and breeding law that are located in a county or counties in which video lottery gaming has been authorized pursuant to local law, excluding the licensed racetrack commonly referred to in article three of the racing, pari-mutuel wagering and breeding law as the "New York state exposition" held in Onondaga county and the racetracks of the non-profit racing association known as Belmont Park racetrack and the Saratoga thoroughbred racetrack,

(3) AT FACILITIES ESTABLISHED, PURSUANT TO A COMPETITIVE PROCESS TO BE DETERMINED BY THE STATE GAMING COMMISSION WITHIN REGIONS ONE, TWO, AND FIVE OF ZONE TWO AS ESTABLISHED BY SECTION ONE THOUSAND THREE HUNDRED TEN OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW FOLLOWING LOCAL GOVERNMENTAL CONSULTATION AND CONSIDERATION OF MARKET FACTORS INCLUDING POTENTIAL REVENUE IMPACT, ANTICIPATED JOB DEVELOPMENT AND CAPITAL INVESTMENT TO BE MADE. THE FACILITIES AUTHORIZED PURSUANT TO THIS PARAGRAPH SHALL BE DEEMED VENDORS FOR ALL PURPOSES UNDER THIS ARTICLE, AND NEED NOT BE OPERATED BY LICENSED THOROUGHBRED OR HARNESS RACING ASSOCIATIONS OR CORPORATIONS.

Such rules and regulations shall provide, as a condition of licensure, that racetracks to be licensed are certified to be in compliance with all state and local fire and safety codes, that the division is afforded adequate space, infrastructure, and amenities consistent with industry standards for such video gaming operations as found at racetracks in other states, that racetrack employees involved in the operation of video lottery gaming pursuant to this section are licensed by the racing and wagering board, and such other terms and conditions of licensure as the division may establish. Notwithstanding any inconsistent provision of law, video lottery gaming at a racetrack pursuant to this section shall be deemed an approved activity for such racetrack under the relevant city, county, town, or village land use or zoning ordinances,

1 rules, or regulations. No entity licensed by the division operating
2 video lottery gaming pursuant to this section may house such gaming
3 activity in a structure deemed or approved by the division as "tempo-
4 rary" for a duration of longer than eighteen-months. Nothing in this
5 section shall prohibit the division from licensing an entity to operate
6 video lottery gaming at an existing racetrack as authorized in this
7 subdivision whether or not a different entity is licensed to conduct
8 horse racing and pari-mutuel wagering at such racetrack pursuant to
9 article two or three of the racing, pari-mutuel wagering and breeding
10 law.

11 The division, in consultation with the racing and wagering board,
12 shall establish standards for approval of the temporary and permanent
13 physical layout and construction of any facility or building devoted to
14 a video lottery gaming operation. In reviewing such application for the
15 construction or reconstruction of facilities related or devoted to the
16 operation or housing of video lottery gaming operations, the division,
17 in consultation with the racing and wagering board, shall ensure that
18 such facility:

19 (1) possesses superior consumer amenities and conveniences to encour-
20 age and attract the patronage of tourists and other visitors from across
21 the region, state, and nation.

22 (2) has adequate motor vehicle parking facilities to satisfy patron
23 requirements.

24 (3) has a physical layout and location that facilitates access to and
25 from the horse racing track portion of such facility to encourage patro-
26 nage of live horse racing events that are conducted at such track.

27 S 33. Subparagraph (ii) of paragraph 1 of subdivision b of section
28 1612 of the tax law is amended by adding a new clause (H-1) to read as
29 follows:

30 (H-1) NOTWITHSTANDING CLAUSES (A), (B), (C), (D), (E), (F), (G) AND
31 (H) OF THIS SUBPARAGRAPH WHERE THE VENDOR IS AUTHORIZED PURSUANT TO
32 PARAGRAPH THREE OF SUBDIVISION A OF SECTION SIXTEEN HUNDRED SEVENTEEN-A
33 OF THIS ARTICLE, AT A RATE OF FORTY PERCENT OF THE TOTAL REVENUE WAGERED
34 AT THE FACILITY AFTER PAYOUT FOR PRIZES. ALL FACILITIES AUTHORIZED
35 PURSUANT TO PARAGRAPH THREE OF SUBDIVISION A OF SECTION SIXTEEN HUNDRED
36 SEVENTEEN-A OF THIS ARTICLE SHALL NOT BE ELIGIBLE FOR ANY VENDOR'S CAPI-
37 TAL AWARD BUT ARE ENTITLED TO THE VENDOR'S MARKETING ALLOWANCE OF TEN
38 PERCENT AUTHORIZED BY SUBPARAGRAPH (III) OF THIS PARAGRAPH. FACILITIES
39 AUTHORIZED BY PARAGRAPH THREE OF SUBDIVISION A OF SECTION SIXTEEN
40 HUNDRED SEVENTEEN-A OF THIS ARTICLE SHALL PAY

41 (I) AN AMOUNT TO HORSEMEN FOR PURSES AT THE LICENSED RACETRACKS IN THE
42 REGION THAT WILL ASSURE THE PURSE SUPPORT FROM VIDEO LOTTERY GAMING
43 FACILITIES IN THE REGION TO THE LICENSED RACETRACKS IN THE REGION TO BE
44 MAINTAINED AT THE SAME DOLLAR LEVELS REALIZED IN TWO THOUSAND THIRTEEN
45 TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS
46 PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF LABOR BUREAU OF
47 LABOR STATISTICS; AND

48 (II) AMOUNTS TO THE AGRICULTURAL AND NEW YORK STATE HORSE BREEDING
49 DEVELOPMENT FUND AND THE NEW YORK STATE THOROUGHBRED BREEDING AND DEVEL-
50 OPMENT FUND TO MAINTAIN PAYMENTS FROM VIDEO LOTTERY GAMING FACILITIES IN
51 THE REGION TO SUCH FUNDS TO BE MAINTAINED AT THE SAME DOLLAR LEVELS
52 REALIZED IN TWO THOUSAND THIRTEEN TO BE ADJUSTED BY THE CONSUMER PRICE
53 INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED
54 STATES DEPARTMENT OF LABOR BUREAU OF LABOR STATISTICS.

55 S 34. Section 54-1 of the state finance law, as added by section 1 of
56 part J of chapter 57 of the laws of 2011, paragraph b of subdivision 2

as amended by section 1 of part EE of chapter 57 of the laws of 2013, is amended to read as follows:

S 54-1. State assistance to eligible cities and eligible municipalities in which a video lottery gaming facility is located. 1. Definitions. When used in this section, unless otherwise expressly stated:

a. "Eligible city" shall mean a city with a population equal to or greater than one hundred twenty-five thousand and less than one million in which a video lottery gaming facility is located and operating as of January first, two thousand nine pursuant to section sixteen hundred seventeen-a of the tax law.

b. "Eligible municipality" shall mean a county, city, town or village in which a video lottery gaming facility is located pursuant to section sixteen hundred seventeen-a of the tax law that is not located in a city with a population equal to or greater than one hundred twenty-five thousand.

C. "NEWLY ELIGIBLE CITY" SHALL MEAN A CITY WITH A POPULATION EQUAL TO OR GREATER THAN ONE HUNDRED TWENTY-FIVE THOUSAND AND LESS THAN ONE MILLION IN WHICH A VIDEO LOTTERY GAMING FACILITY PURSUANT TO SECTION SIXTEEN HUNDRED SEVENTEEN-A OF THE TAX LAW IS LOCATED AND WHICH WAS NOT OPERATING AS OF JANUARY FIRST, TWO THOUSAND THIRTEEN.

D. "NEWLY ELIGIBLE MUNICIPALITY" SHALL MEAN A COUNTY, CITY, TOWN OR VILLAGE IN WHICH A VIDEO LOTTERY GAMING FACILITY IS LOCATED PURSUANT TO SECTION SIXTEEN HUNDRED SEVENTEEN-A OF THE TAX LAW THAT IS NOT LOCATED IN A CITY WITH A POPULATION EQUAL TO OR GREATER THAN ONE HUNDRED TWENTY-FIVE THOUSAND AND WHICH WAS NOT OPERATING AS OF JANUARY FIRST, TWO THOUSAND THIRTEEN.

E. "ESTIMATED NET MACHINE INCOME" SHALL MEAN THE ESTIMATED FULL ANNUAL VALUE OF TOTAL REVENUE WAGERED AFTER PAYOUT FOR PRIZES FOR GAMES KNOWN AS VIDEO LOTTERY GAMING AS AUTHORIZED UNDER ARTICLE THIRTY-FOUR OF THE TAX LAW DURING THE STATE FISCAL YEAR IN WHICH STATE AID PAYMENTS ARE MADE PURSUANT TO SUBDIVISION TWO OF THIS SECTION.

2. a. Within the amount appropriated therefor, an eligible city shall receive an amount equal to the state aid payment received in the state fiscal year commencing April first, two thousand eight from an appropriation for aid to municipalities with video lottery gaming facilities.

b. Within the amounts appropriated therefor, eligible municipalities shall receive an amount equal to fifty-five percent of the state aid payment received in the state fiscal year commencing April first, two thousand eight from an appropriation for aid to municipalities with video lottery gaming facilities.

C. A NEWLY ELIGIBLE CITY SHALL RECEIVE A STATE AID PAYMENT EQUAL TO TWO PERCENT OF THE "ESTIMATED NET MACHINE INCOME" GENERATED BY A VIDEO LOTTERY GAMING FACILITY LOCATED IN SUCH ELIGIBLE CITY. SUCH STATE AID PAYMENT SHALL NOT EXCEED TWENTY MILLION DOLLARS PER ELIGIBLE CITY.

D. A NEWLY ELIGIBLE MUNICIPALITY SHALL RECEIVE A STATE AID PAYMENT EQUAL TO TWO PERCENT OF THE "ESTIMATED NET MACHINE INCOME" GENERATED BY A VIDEO LOTTERY GAMING FACILITY LOCATED WITHIN SUCH NEWLY ELIGIBLE MUNICIPALITY AS FOLLOWS: (I) TWENTY-FIVE PERCENT SHALL BE APPORTIONED AND PAID TO THE COUNTY; AND (II) SEVENTY-FIVE PERCENT SHALL BE APPORTIONED AND PAID ON A PRO RATA BASIS TO ELIGIBLE MUNICIPALITIES, OTHER THAN THE COUNTY, BASED UPON THE POPULATION OF SUCH ELIGIBLE MUNICIPALITIES. SUCH STATE AID PAYMENT SHALL NOT EXCEED TWENTY-FIVE PERCENT OF AN ELIGIBLE MUNICIPALITY'S TOTAL EXPENDITURES AS REPORTED IN THE STATISTICAL REPORT OF THE COMPTROLLER IN THE PRECEDING STATE FISCAL YEAR PURSUANT TO SECTION THIRTY-SEVEN OF THE GENERAL MUNICIPAL LAW.

3. a. State aid payments made to an eligible city OR TO A NEWLY ELIGIBLE CITY pursuant to [paragraph] PARAGRAPHS a AND C of subdivision two of this section shall be used to increase support for public schools in such city.

b. State aid payments made to [an] eligible [municipality] MUNICIPALITIES AND NEWLY ELIGIBLE MUNICIPALITIES pursuant to [paragraph] PARAGRAPHS b AND D of subdivision two of this section shall be used by such eligible municipality to: (i) defray local costs associated with a video lottery gaming facility, or (ii) minimize or reduce real property taxes.

4. Payments of state aid pursuant to this section shall be made on or before June thirtieth of each state fiscal year to the chief fiscal officer of each eligible city and each eligible municipality on audit and warrant of the state comptroller out of moneys appropriated by the legislature for such purpose to the credit of the local assistance fund in the general fund of the state treasury.

S 35. Section 1 of chapter 50 of the laws of 2013, State Operations budget, is amended by repealing the items hereinbelow set forth in brackets and by adding to such section the other items underscored in this section.

NEW YORK STATE GAMING COMMISSION
STATE OPERATIONS 2013-14

For payment according to the following schedule:

	APPROPRIATIONS	REAPPROPRIATIONS
Special Revenue Funds - Other	[111,604,700]	0
	111,772,700	
	-----	-----
All Funds	[111,604,700]	0
	111,772,700	
	=====	=====

SCHEDULE

ADMINISTRATION OF GAMING COMMISSION PROGRAM ...	[1,000,000]	1,168,000

SPECIAL REVENUE FUNDS - OTHER
MISCELLANEOUS SPECIAL REVENUE FUND
COMMERCIAL GAMING REVENUE ACCOUNT

FOR SERVICES AND EXPENSES RELATED TO THE ADMINISTRATION AND OPERATION OF THE COMMERCIAL GAMING REVENUE ACCOUNT, PROVIDING THAT MONEYS HEREBY APPROPRIATED SHALL BE AVAILABLE TO THE PROGRAM NET OF REFUNDS, REBATES, REIMBURSEMENTS AND CREDITS. A PORTION OF THIS APPROPRIATION MAY BE USED FOR SUBALLOCATION TO THE NEW YORK STATE GAMING FACILITY LOCATION BOARD OR OTHER AGENCIES FOR SERVICES AND EXPENSES, INCLUDING FRINGE BENEFITS.

NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, THE MONEY HEREBY APPROPRIATED MAY NOT BE, IN WHOLE OR IN PART, INTER-

CHANGED WITH ANY OTHER APPROPRIATION WITH-
IN THE STATE GAMING COMMISSION, EXCEPT
THOSE APPROPRIATIONS THAT FUND ACTIVITIES
RELATED TO THE ADMINISTRATION OF GAMING
COMMISSION PROGRAM.

PERSONAL SERVICE

PERSONAL SERVICE--REGULAR 100,000
AMOUNT AVAILABLE FOR PERSONAL SERVICE 100,000

NONPERSONAL SERVICE

TRAVEL 10,000
FRINGE BENEFITS 55,000
INDIRECT COSTS 3,000

AMOUNT AVAILABLE FOR NONPERSONAL SERVICE 68,000

Special Revenue Funds - Other
Miscellaneous Special Revenue Fund
New York State Gaming Commission Account

For services and expenses related to the
administration and operation of the admin-
istration of gaming commission program,
providing that moneys hereby appropriated
shall be available to the program net of
refunds, rebates, reimbursements and cred-
its.

Notwithstanding any provision of law to the
contrary, the money hereby appropriated
may not be, in whole or in part, inter-
changed with any other appropriation with-
in the state gaming commission, except
those appropriations that fund activities
related to the administration of gaming
commission program.

Notwithstanding any other provision of law
to the contrary, the OGS Interchange and
Transfer Authority and the IT Interchange
and Transfer Authority as defined in the
2013-14 state fiscal year state operations
appropriation for the budget division
program of the division of the budget, are
deemed fully incorporated herein and a
part of this appropriation as if fully
stated.

PERSONAL SERVICE

Personal service--regular 527,000
Holiday/overtime compensation 10,000

1 Amount available for personal service 537,000

2 -----

3 NONPERSONAL SERVICE

4 Supplies and materials 13,000

5 Travel 80,000

6 Contractual services 99,000

7 Equipment 30,000

8 Fringe benefits 228,000

9 Indirect costs 13,000

10 -----

11 Amount available for nonpersonal service 463,000

12 -----

13 S 36. Section 104 of the racing, pari-mutuel wagering and breeding law
14 is amended by adding a new subdivision 22 to read as follows:

15 22. THE COMMISSION SHALL ANNUALLY CONDUCT AN EVALUATION OF VIDEO
16 LOTTERY GAMING TO CONSIDER THE VARIOUS COMPETITIVE FACTORS IMPACTING
17 SUCH INDUSTRY AND SHALL CONSIDER ADMINISTRATIVE CHANGES THAT MAY BE
18 NECESSARY TO ENSURE A COMPETITIVE INDUSTRY AND PRESERVE ITS PRIMARY
19 FUNCTION OF RAISING REVENUE FOR PUBLIC EDUCATION.

20 S 37. Clause (H) of subparagraph (ii) of paragraph 1 of subdivision b
21 of section 1612 of the tax law, as amended by chapter 454 of the laws of
22 2012, is amended to read as follows:

23 (H) notwithstanding clauses (A), (B), (C), (D), (E), (F) and (G) of
24 this subparagraph, the track operator of a vendor track shall be eligi-
25 ble for a vendor's capital award of up to four percent of the total
26 revenue wagered at the vendor track after payout for prizes pursuant to
27 this chapter, which shall be used exclusively for capital project
28 investments to improve the facilities of the vendor track which promote
29 or encourage increased attendance at the video lottery gaming facility
30 including, but not limited to hotels, other lodging facilities, enter-
31 tainment facilities, retail facilities, dining facilities, events
32 arenas, parking garages and other improvements that enhance facility
33 amenities; provided that such capital investments shall be approved by
34 the division, in consultation with the state racing and wagering board,
35 and that such vendor track demonstrates that such capital expenditures
36 will increase patronage at such vendor track's facilities and increase
37 the amount of revenue generated to support state education programs. The
38 annual amount of such vendor's capital awards that a vendor track shall
39 be eligible to receive shall be limited to two million five hundred
40 thousand dollars, except for Aqueduct racetrack, for which there shall
41 be no vendor's capital awards. Except for tracks having less than one
42 thousand one hundred video gaming machines, AND EXCEPT FOR A VENDOR
43 TRACK LOCATED WEST OF STATE ROUTE 14 FROM SODUS POINT TO THE PENNSYLVANIA
44 BORDER WITHIN NEW YORK, each track operator shall be required to
45 co-invest an amount of capital expenditure equal to its cumulative
46 vendor's capital award. For all tracks, except for Aqueduct racetrack,
47 the amount of any vendor's capital award that is not used during any one
48 year period may be carried over into subsequent years ending before
49 April first, two thousand fourteen. Any amount attributable to a capital
50 expenditure approved prior to April first, two thousand fourteen and
51 completed before April first, two thousand sixteen; OR APPROVED PRIOR TO
52 APRIL FIRST, TWO THOUSAND EIGHTEEN AND COMPLETED BEFORE APRIL FIRST, TWO
53 THOUSAND TWENTY FOR A VENDOR TRACK LOCATED WEST OF STATE ROUTE 14 FROM

1 SODUS POINT TO THE PENNSYLVANIA BORDER WITHIN NEW YORK, shall be eligi-
2 ble to receive the vendor's capital award. In the event that a vendor
3 track's capital expenditures, approved by the division prior to April
4 first, two thousand fourteen and completed prior to April first, two
5 thousand sixteen, exceed the vendor track's cumulative capital award
6 during the five year period ending April first, two thousand fourteen,
7 the vendor shall continue to receive the capital award after April
8 first, two thousand fourteen until such approved capital expenditures
9 are paid to the vendor track subject to any required co-investment. In
10 no event shall any vendor track that receives a vendor fee pursuant to
11 clause (F) or (G) of this subparagraph be eligible for a vendor's capi-
12 tal award under this section. Any operator of a vendor track which has
13 received a vendor's capital award, choosing to divest the capital
14 improvement toward which the award was applied, prior to the full depre-
15 ciation of the capital improvement in accordance with generally accepted
16 accounting principles, shall reimburse the state in amounts equal to the
17 total of any such awards. Any capital award not approved for a capital
18 expenditure at a video lottery gaming facility by April first, two thou-
19 sand fourteen shall be deposited into the state lottery fund for educa-
20 tion aid; and

21 S 38. Item (iii) of clause (I) of subparagraph (ii) of paragraph 1 of
22 subdivision b of section 1612 of the tax law, as added by section 1 of
23 part O of chapter 61 of the laws of 2011, is amended to read as follows:

24 (iii) less an additional vendor's marketing allowance at a rate of ten
25 percent for the first one hundred million dollars annually and eight
26 percent thereafter of the total revenue wagered at the vendor track
27 after payout for prizes to be used by the vendor track for the marketing
28 and promotion and associated costs of its video lottery gaming oper-
29 ations and pari-mutuel horse racing operations, as long as any such
30 costs associated with pari-mutuel horse racing operations simultaneously
31 encourage increased attendance at such vendor's video lottery gaming
32 facilities, consistent with the customary manner of marketing comparable
33 operations in the industry and subject to the overall supervision of the
34 division; provided, however, that the additional vendor's marketing
35 allowance shall not exceed eight percent in any year for any operator of
36 a racetrack located in the county of Westchester or Queens; provided,
37 however, a vendor track that receives a vendor fee pursuant to clause
38 (G) of subparagraph (ii) of this paragraph shall not receive the addi-
39 tional vendor's marketing allowance; PROVIDED, HOWEVER, EXCEPT FOR A
40 VENDOR TRACK LOCATED WEST OF STATE ROUTE 14 FROM SODUS POINT TO THE
41 PENNSYLVANIA BORDER WITHIN NEW YORK SHALL CONTINUE TO RECEIVE A MARKET-
42 ING ALLOWANCE OF TEN PERCENT ON TOTAL REVENUE WAGERED AT THE VENDOR
43 TRACK AFTER PAYOUT FOR PRIZES IN EXCESS OF ONE HUNDRED MILLION DOLLARS
44 ANNUALLY. In establishing the vendor fee, the division shall ensure the
45 maximum lottery support for education while also ensuring the effective
46 implementation of section sixteen hundred seventeen-a of this article
47 through the provision of reasonable reimbursements and compensation to
48 vendor tracks for participation in such program. Within twenty days
49 after any award of lottery prizes, the division shall pay into the state
50 treasury, to the credit of the state lottery fund, the balance of all
51 moneys received from the sale of all tickets for the lottery in which
52 such prizes were awarded remaining after provision for the payment of
53 prizes as herein provided. Any revenues derived from the sale of adver-
54 tising on lottery tickets shall be deposited in the state lottery fund.

55 S 39. Subdivision a of section 1617-a of the tax law is amended by
56 adding a new paragraph 4 to read as follows:

1 (4) AT A MAXIMUM OF TWO FACILITIES, NEITHER TO EXCEED ONE THOUSAND
2 VIDEO LOTTERY GAMING DEVICES, ESTABLISHED WITHIN REGION THREE OF ZONE
3 ONE AS DEFINED BY SECTION ONE THOUSAND THREE HUNDRED TEN OF THE RACING,
4 PARI-MUTUEL WAGERING AND BREEDING LAW, ONE EACH OPERATED BY A CORPO-
5 RATION ESTABLISHED PURSUANT TO SECTION FIVE HUNDRED TWO OF THE RACING,
6 PARI-MUTUEL WAGERING AND BREEDING LAW IN THE SUFFOLK REGION AND THE
7 NASSAU REGION TO BE LOCATED WITHIN A FACILITY AUTHORIZED PURSUANT TO
8 SECTIONS ONE THOUSAND EIGHT OR ONE THOUSAND NINE OF THE RACING, PARI-MU-
9 TUEL WAGERING AND BREEDING LAW. THE FACILITIES AUTHORIZED PURSUANT TO
10 THIS PARAGRAPH SHALL BE DEEMED VENDORS FOR ALL PURPOSES UNDER THIS ARTI-
11 CLE.

12 S 40. Section 1612 of the tax law, as amended by chapter 2 of the laws
13 of 1995, paragraph 1 of subdivision a as amended by chapter 147 of the
14 laws of 2010, subparagraph (A) of paragraph 1 of subdivision a as
15 amended by section 1 of part S of chapter 59 of the laws of 2012, para-
16 graph 2 of subdivision a as amended by section 1 of part P of chapter 61
17 of the laws of 2011, paragraphs 3, 4 and 5 and the second undesignated
18 and closing paragraph of subdivision a as amended by section 1 of part Q
19 of chapter 61 of the laws of 2011, subdivision 6 as amended by section 1
20 of part O-1 of chapter 57 of the laws of 2009, the opening paragraph of
21 paragraph 1 of subdivision b as amended by section 1 of part R of chap-
22 ter 61 of the laws of 2011, subparagraph (ii) of paragraph 1 of subdivi-
23 sion b as amended by section 6 of part K of chapter 57 of the laws of
24 2010, clause (F) of subparagraph (ii) of paragraph 1 of subdivision b as
25 amended by section 1 of part T of chapter 59 of the laws of 2013, clause
26 (H) of subparagraph (ii) of paragraph 1 of subdivision b as amended by
27 chapter 454 of the laws of 2012, clause (I) of subparagraph (ii) of
28 paragraph 1 of subdivision b as added by section 1 of part O of chapter
29 61 of the laws of 2011, paragraphs 2 and 3 of subdivision 6 as amended
30 by section 1 of part J of chapter 55 of the laws of 2013, subdivision c
31 as amended by section 2 of part CC of chapter 61 of the laws of 2005,
32 paragraph 1 of subdivision c as amended by section 2 of part R of chap-
33 ter 61 of the laws of 2011, subdivision d as amended and subdivision e
34 as added by chapter 18 of the laws of 2008, subdivisions f and g as
35 amended by chapter 140 of the laws of 2008, paragraph 1 of subdivision f
36 as amended by section 2 of part J of chapter 55 of the laws if 2013,
37 subdivision h as added by section 13 of part A of chapter 60 of the laws
38 of 2012, is amended to read as follows:

39 S 1612. Disposition of revenues. a. The division shall pay into an
40 account, to be known as the lottery prize account, under the joint
41 custody of the comptroller and the commissioner, within one week after
42 collection of sales receipts from a lottery game, such moneys necessary
43 for the payment of lottery prizes but not to exceed the following
44 percentages, plus interest earned thereon:

45 (1) sixty percent of the total amount for which tickets have been sold
46 for a lawful lottery game introduced on or after the effective date of
47 this paragraph, subject to the following provisions:

48 (A) such game shall be available only on premises occupied by licensed
49 lottery sales agents, subject to the following provisions:

50 (i) if the licensee does not hold a license issued pursuant to the
51 alcoholic beverage control law to sell alcoholic beverages for consump-
52 tion on the premises, then the premises must have a minimum square
53 footage greater than two thousand five hundred square feet;

54 (ii) notwithstanding the foregoing provisions, television equipment
55 that automatically displays the results of such drawings may be

1 installed and used without regard to the square footage if such premises
2 are used as:

3 (I) a commercial bowling establishment, or

4 (II) a facility authorized under the racing, pari-mutuel wagering and
5 breeding law to accept pari-mutuel wagers;

6 (B) the rules for the operation of such game shall be as prescribed by
7 regulations promulgated and adopted by the division, provided however,
8 that such rules shall provide that no person under the age of twenty-one
9 may participate in such games on the premises of a licensee who holds a
10 license issued pursuant to the alcoholic beverage control law to sell
11 alcoholic beverages for consumption on the premises; and, provided,
12 further, that such regulations may be revised on an emergency basis not
13 later than ninety days after the enactment of this paragraph in order to
14 conform such regulations to the requirements of this paragraph; or

15 (2) sixty-five percent of the total amount for which tickets have been
16 sold for the "Instant Cash" game in which the participant purchases a
17 preprinted ticket on which dollar amounts or symbols are concealed on
18 the face or the back of such ticket, provided however up to five new
19 games may be offered during the fiscal year, seventy-five percent of the
20 total amount for which tickets have been sold for such five games in
21 which the participant purchases a preprinted ticket on which dollar
22 amounts or symbols are concealed on the face or the back of such ticket;
23 or

24 (3) fifty-five percent of the total amount for which tickets have been
25 sold for any joint, multi-jurisdiction, and out-of-state lottery except
26 as otherwise provided in paragraph one of subdivision b of this section
27 for any joint, multi-jurisdiction, out-of-state video lottery gaming; or

28 (4) fifty percent of the total amount for which tickets have been sold
29 for games known as: (A) the "Daily Numbers Game" or "Win 4", discrete
30 games in which the participants select no more than three or four of
31 their own numbers to match with three or four numbers drawn by the divi-
32 sion for purposes of determining winners of such games, (B) "Pick 10",
33 offered no more than once daily, in which participants select from a
34 specified field of numbers a subset of ten numbers to match against a
35 subset of numbers to be drawn by the division from such field of numbers
36 for the purpose of determining winners of such game, (C) "Take 5",
37 offered no more than once daily, in which participants select from a
38 specified field of numbers a subset of five numbers to match against a
39 subset of five numbers to be drawn by the division from such field of
40 numbers for purposes of determining winners of such game; or

41 (5) forty percent of the total amount for which tickets have been sold
42 for: (A) "Lotto", offered no more than once daily, a discrete game in
43 which all participants select a specific subset of numbers to match a
44 specific subset of numbers, as prescribed by rules and regulations
45 promulgated and adopted by the division, from a larger specific field of
46 numbers, as also prescribed by such rules and regulations and (B) with
47 the exception of the game described in paragraph one of this subdivi-
48 sion, such other state-operated lottery games which the division may
49 introduce, offered no more than once daily, commencing on or after
50 forty-five days following the official publication of the rules and
51 regulations for such game.

52 The moneys in the lottery prize account shall be paid out of such
53 account on the audit and warrant of the comptroller on vouchers certi-
54 fied or approved by the director or his or her duly designated official.

55 Prize money derived from ticket sales receipts of a particular game
56 and deposited in the lottery prize account in accordance with the

1 percentages set forth above may be used to pay prizes in such game.
2 Balances in the lottery prize account identified by individual games may
3 be carried over from one fiscal year to the next to ensure proper payout
4 of games.

5 b. 1. Notwithstanding section one hundred twenty-one of the state
6 finance law, on or before the twentieth day of each month, the division
7 shall pay into the state treasury, to the credit of the state lottery
8 fund created by section ninety-two-c of the state finance law, not less
9 than forty-five percent of the total amount for which tickets have been
10 sold for games defined in paragraph four of subdivision a of this
11 section during the preceding month, not less than thirty-five percent of
12 the total amount for which tickets have been sold for games defined in
13 paragraph three of subdivision a of this section during the preceding
14 month, not less than twenty percent of the total amount for which tick-
15 ets have been sold for games defined in paragraph two of subdivision a
16 of this section during the preceding month, provided however that for
17 games with a prize payout of seventy-five percent of the total amount
18 for which tickets have been sold, the division shall pay not less than
19 ten percent of sales into the state treasury and not less than twenty-
20 five percent of the total amount for which tickets have been sold for
21 games defined in paragraph one of subdivision a of this section during
22 the preceding month; and the balance of the total revenue after payout
23 for prizes for games known as "video lottery gaming," including any
24 joint, multi-jurisdiction, and out-of-state video lottery gaming, (i)
25 less ten percent of the total revenue wagered after payout for prizes to
26 be retained by the division for operation, administration, and procure-
27 ment purposes; (ii) less a vendor's fee the amount of which is to be
28 paid for serving as a lottery agent to the track operator of a vendor
29 track OR THE OPERATOR OF ANY OTHER VIDEO LOTTERY GAMING FACILITY AUTHOR-
30 IZED PURSUANT TO SECTION ONE THOUSAND SIX HUNDRED SEVENTEEN A OF THIS
31 ARTICLE:

32 (A) having fewer than one thousand one hundred video gaming machines,
33 at a rate of thirty-five percent for the first fifty million dollars
34 annually, twenty-eight percent for the next hundred million dollars
35 annually, and twenty-five percent thereafter of the total revenue
36 wagered at the vendor track after payout for prizes pursuant to this
37 chapter;

38 (B) having one thousand one hundred or more video gaming machines, at
39 a rate of thirty-one percent of the total revenue wagered at the vendor
40 track after payout for prizes pursuant to this chapter, except for such
41 facility located in the county of Westchester, in which case the rate
42 shall be thirty percent until March thirty-first, two thousand twelve.

43 Notwithstanding the foregoing, not later than April first, two thou-
44 sand twelve, the vendor fee shall become thirty-one percent and remain
45 at that level thereafter; and except for Aqueduct racetrack, in which
46 case the vendor fee shall be thirty-eight percent of the total revenue
47 wagered at the vendor track after payout for prizes pursuant to this
48 chapter;

49 (C) notwithstanding clauses (A) and (B) of this subparagraph, when the
50 vendor track is located in an area with a population of less than one
51 million within the forty mile radius around such track, at a rate of
52 thirty-nine percent for the first fifty million dollars annually, twen-
53 ty-eight percent for the next hundred million dollars annually, and
54 twenty-five percent thereafter of the total revenue wagered at the
55 vendor track after payout for prizes pursuant to this chapter;

(D) notwithstanding clauses (A), (B) and (C) of this subparagraph, when the vendor track is located within fifteen miles of a Native American class III gaming facility at a rate of forty-one percent of the total revenue wagered at the vendor track after payout for prizes pursuant to this chapter;

(E) notwithstanding clauses (A), (B), (C) and (D) of this subparagraph, when a Native American class III gaming facility is established, after the effective date of this subparagraph, within fifteen miles of the vendor track, at a rate of forty-one percent of the total revenue wagered after payout for prizes pursuant to this chapter;

(E-1) for purposes of this subdivision, the term "class III gaming" shall have the meaning defined in 25 U.S.C. S 2703(8).

(F) notwithstanding clauses (A), (B), (C), (D) and (E) of this subparagraph, when a vendor track, is located in Sullivan county and within sixty miles from any gaming facility in a contiguous state such vendor fee shall, for a period of six years commencing April first, two thousand eight, be at a rate of forty-one percent of the total revenue wagered at the vendor track after payout for prizes pursuant to this chapter, after which time such rate shall be as for all tracks in clause (C) of this subparagraph.

(G) notwithstanding clauses (A), (B), (C), (D), (E) and (F) of this subparagraph, when no more than one vendor track located in the town of Thompson in Sullivan county at the site of the former Concord Resort at which a qualified capital investment has been made and no fewer than one thousand full-time, permanent employees have been newly hired, is located in Sullivan county and is within sixty miles from any gaming facility in a contiguous state, then for a period of forty years the vendor's fee shall equal the total revenue wagered at the vendor track after payout of prizes pursuant to this subdivision reduced by the greater of (i) twenty-five percent of total revenue after payout for prizes for "video lottery games" or (ii) for the first eight years of operation thirty-eight million dollars, and beginning in the ninth year of operation such amount shall increase annually by the lesser of the increase in the consumer price index or two percent, plus seven percent of total revenue after payout of prizes. In addition, in the event the vendor fee is calculated pursuant to subclause (i) of this clause, the vendor's fee shall be further reduced by 11.11 percent of the amount by which total revenue after payout for prizes exceeds two hundred fifteen million dollars, but in no event shall such reduction exceed five million dollars. PROVIDED, FURTHER, NO VENDOR IS ELIGIBLE FOR THE VENDOR'S FEE DESCRIBED IN THIS CLAUSE WHO OPERATES OR INVESTS IN OR OWNS, IN WHOLE OR IN PART, ANOTHER VENDOR LICENSE OR IS LICENSED AS A VENDOR TRACK THAT CURRENTLY RECEIVES A VENDOR FEE FOR THE OPERATION OF VIDEO LOTTERY GAMING PURSUANT TO THIS ARTICLE.

Provided, however, that in the case of [no more than one vendor track] A RESORT FACILITY located [in the town of Thompson] in Sullivan county [at the site of the former Concord Resort] with a qualified capital investment, and one thousand full-time, permanent employees if at any time after three years of opening operations of the licensed video gaming facility [or licensed vendor track], the [vendor track] RESORT FACILITY experiences an employment shortfall, then the recapture amount shall apply, for only such period as the shortfall exists.

For the purposes of this section "qualified capital investment" shall mean an investment of a minimum of six hundred million dollars as reflected by audited financial statements of which not less than three hundred million dollars shall be comprised of equity and/or mezzanine

1 financing as an initial investment in a county where twelve percent of
2 the population is below the federal poverty level as measured by the
3 most recent Bureau of Census Statistics prior to the qualified capital
4 investment commencing that results in the construction, development or
5 improvement of at least one eighteen hole golf course, and the
6 construction and issuance of certificates of occupancy for hotels, lodg-
7 ing, spas, dining, retail and entertainment venues, parking garages and
8 other capital improvements at or adjacent to the licensed video gaming
9 facility or licensed vendor track which promote or encourage increased
10 attendance at such facilities.

11 For the purposes of this section, "full-time, permanent employee"
12 shall mean an employee who has worked at the video gaming facility[,
13 vendor track] or related and adjacent facilities for a minimum of thir-
14 ty-five hours per week for not less than four consecutive weeks and who
15 is entitled to receive the usual and customary fringe benefits extended
16 to other employees with comparable rank and duties; or two part-time
17 employees who have worked at the video gaming facility, vendor track or
18 related and adjacent facilities for a combined minimum of thirty-five
19 hours per week for not less than four consecutive weeks and who are
20 entitled to receive the usual and customary fringe benefits extended to
21 other employees with comparable rank and duties.

22 For the purpose of this section "employment goal" shall mean one thou-
23 sand five hundred full-time permanent employees after three years of
24 opening operations of the licensed video gaming facility [or licensed
25 vendor track].

26 For the purpose of this section "employment shortfall" shall mean a
27 level of employment that falls below the employment goal, as certified
28 annually by vendor's certified accountants and the chairman of the
29 empire state development corporation.

30 For the purposes of this section "recapture amount" shall mean the
31 difference between the amount of the vendor's fee paid to a vendor
32 [track] with a qualified capital investment, and the vendor fee other-
33 wise payable to a vendor [track] pursuant to clause (F) of this subpara-
34 graph, that is reimbursable by the vendor track to the division for
35 payment into the state treasury, to the credit of the state lottery fund
36 created by section ninety-two-c of the state finance law, due to an
37 employment shortfall pursuant to the following schedule only for the
38 period of the employment shortfall:

39 (i) one hundred percent of the recapture amount if the employment
40 shortfall is greater than sixty-six and two-thirds percent of the
41 employment goal;

42 (ii) seventy-five percent of the recapture amount if the employment
43 shortfall is greater than thirty-three and one-third percent of the
44 employment goal;

45 (iii) forty-nine and one-half percent of the recapture amount if the
46 employment shortfall is greater than thirty percent of the employment
47 goal;

48 (iv) twenty-two percent of the recapture amount if the employment
49 shortfall is greater than twenty percent of the employment goal;

50 (v) eleven percent of the recapture amount if the employment shortfall
51 is greater than ten percent of the employment goal.

52 (G-1) NOTWITHSTANDING CLAUSE (A) AND (B) OF THIS SUBPARAGRAPH, WHEN A
53 VIDEO LOTTERY GAMING FACILITY IS LOCATED IN EITHER THE COUNTY OF NASSAU
54 OR SUFFOLK AND IS OPERATED BY A CORPORATION ESTABLISHED PURSUANT TO
55 SECTION FIVE HUNDRED TWO OF THE RACING, PARI-MUTUEL WAGERING AND BREED-

1 ING LAW AT A RATE OF THIRTY- FIVE PERCENT OF THE TOTAL REVENUE WAGERED
2 AT THE VENDOR TRACK AFTER PAYOUT FOR PRIZES PURSUANT TO THIS CHAPTER;

3 (H) NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, WHEN A VENDOR TRACK
4 IS LOCATED WITHIN REGIONS ONE, TWO, OR FIVE OF DEVELOPMENT ZONE TWO AS
5 DEFIED BY SECTION THIRTEEN HUNDRED TEN OF THE RACING, PARI-MUTUEL WAGER-
6 ING AN BREEDING LAW, SUCH VENDOR TRACK SHALL RECEIVE AN ADDITIONAL
7 COMMISSION AT A RATE EQUAL TO THE PERCENTAGE OF REVENUE WAGERED AT THE
8 VENDOR TRACK AFTER PAYOUT FOR PRIZES PURSUANT TO THIS CHAPTER LESS THAN
9 TEN PERCENT RETAINED BY THE COMMISSION FOR OPERATION, ADMINISTRATION,
10 AND PROCUREMENT PURPOSES AND PAYMENT OF THE VENDOR'S FEE, MARKETING
11 ALLOWANCE, AND CAPITAL AWARD PAID PURSUANT TO THIS CHAPTER AND THE
12 EFFECTIVE TAX RATE PAID ON ALL GROSS GAMING REVENUE PAID BY A GAMING
13 FACILITY WITHIN THE SAME REGION PURSUANT TO SECTION THIRTEEN HUNDRED
14 FIFTY-ONE OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW. THE
15 ADDITIONAL COMMISSION SHALL BE PAID TO THE VENDOR TACK WITHIN SIXTY DAYS
16 AFTER THE CONCLUSION OF THE STATE FISCAL YEAR BASED ON THE CALCULATED
17 PERCENTAGE DURING THE PREVIOUS FISCAL YEAR.

18 [(H)] (I) notwithstanding clauses (A), (B), (C), (D), (E), (F), and
19 [(G)] (G-1) of this subparagraph, the track operator of a vendor track
20 shall be eligible for a vendor's capital award of up to four percent of
21 the total revenue wagered at the vendor track after payout for prizes
22 pursuant to this chapter, which shall be used exclusively for capital
23 project investments to improve the facilities of the vendor track which
24 promote or encourage increased attendance at the video lottery gaming
25 facility including, but not limited to hotels, other lodging facilities,
26 entertainment facilities, retail facilities, dining facilities, events
27 arenas, parking garages and other improvements that enhance facility
28 amenities; provided that such capital investments shall be approved by
29 the division, in consultation with the state racing and wagering board,
30 and that such vendor track demonstrates that such capital expenditures
31 will increase patronage at such vendor track's facilities and increase
32 the amount of revenue generated to support state education programs. The
33 annual amount of such vendor's capital awards that a vendor track shall
34 be eligible to receive shall be limited to two million five hundred
35 thousand dollars, except for Aqueduct racetrack, for which there shall
36 be no vendor's capital awards. Except for tracks having less than one
37 thousand one hundred video gaming machines, each track operator shall be
38 required to co-invest an amount of capital expenditure equal to its
39 cumulative vendor's capital award. For all tracks, except for Aqueduct
40 racetrack, the amount of any vendor's capital award that is not used
41 during any one year period may be carried over into subsequent years
42 ending before April first, two thousand fourteen. Any amount attribut-
43 able to a capital expenditure approved prior to April first, two thou-
44 sand fourteen and completed before April first, two thousand sixteen
45 shall be eligible to receive the vendor's capital award. In the event
46 that a vendor track's capital expenditures, approved by the division
47 prior to April first, two thousand fourteen and completed prior to April
48 first, two thousand sixteen, exceed the vendor track's cumulative capi-
49 tal award during the five year period ending April first, two thousand
50 fourteen, the vendor shall continue to receive the capital award after
51 April first, two thousand fourteen until such approved capital expendi-
52 tures are paid to the vendor track subject to any required co-invest-
53 ment. In no event shall any vendor track that receives a vendor fee
54 pursuant to clause (F) or (G) of this subparagraph be eligible for a
55 vendor's capital award under this section. Any operator of a vendor
56 track which has received a vendor's capital award, choosing to divest

1 the capital improvement toward which the award was applied, prior to the
2 full depreciation of the capital improvement in accordance with general-
3 ly accepted accounting principles, shall reimburse the state in amounts
4 equal to the total of any such awards. Any capital award not approved
5 for a capital expenditure at a video lottery gaming facility by April
6 first, two thousand fourteen shall be deposited into the state lottery
7 fund for education aid; and

8 [(I)] (J) Notwithstanding any provision of law to the contrary, free
9 play allowance credits authorized by the division pursuant to subdivi-
10 sion f of section sixteen hundred seventeen-a of this article shall not
11 be included in the calculation of the total amount wagered on video
12 lottery games, the total amount wagered after payout of prizes, the
13 vendor fees payable to the operators of video lottery facilities,
14 vendor's capital awards, fees payable to the division's video lottery
15 gaming equipment contractors, or racing support payments.

16 (iii) less an additional vendor's marketing allowance at a rate of ten
17 percent for the first one hundred million dollars annually and eight
18 percent thereafter of the total revenue wagered at the vendor track
19 after payout for prizes to be used by the vendor track for the marketing
20 and promotion and associated costs of its video lottery gaming oper-
21 ations and pari-mutuel horse racing operations, as long as any such
22 costs associated with pari-mutuel horse racing operations simultaneously
23 encourage increased attendance at such vendor's video lottery gaming
24 facilities, consistent with the customary manner of marketing comparable
25 operations in the industry and subject to the overall supervision of the
26 division; provided, however, that the additional vendor's marketing
27 allowance shall not exceed eight percent in any year for any operator of
28 a racetrack located in the county of Westchester or Queens; provided,
29 however, a vendor track that receives a vendor fee pursuant to clause
30 (G) of subparagraph (ii) of this paragraph shall not receive the addi-
31 tional vendor's marketing allowance

32 PROVIDED, HOWEVER, A VENDOR THAT RECEIVES A VENDOR FEE PURSUANT TO
33 CLAUSE (G-1) OF SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL RECEIVE AN
34 ADDITIONAL MARKETING ALLOWANCE AT A RATE OF TEN PERCENT OF THE TOTAL
35 REVENUE WAGERED AT THE VIDEO LOTTERY GAMING FACILITY AFTER PAYOUT FOR
36 PRIZES. THE DIVISION SHALL ENSURE THE MAXIMUM LOTTERY SUPPORT FOR
37 EDUCATION WHILE ALSO ENSURING THE EFFECTIVE IMPLEMENTATION OF SECTION
38 SIXTEEN HUNDRED SEVENTEEN-A OF THIS ARTICLE THROUGH THE PROVISION OF
39 REASONABLE REIMBURSEMENTS AND COMPENSATION TO VENDOR TRACKS FOR PARTIC-
40 IPATION IN SUCH PROGRAM. WITHIN TWENTY DAYS AFTER ANY AWARD OF LOTTERY
41 PRIZES, THE DIVISION SHALL PAY INTO THE STATE TREASURY, TO THE CREDIT OF
42 THE STATE LOTTERY FUND, THE BALANCE OF ALL MONEYS RECEIVED FROM THE SALE
43 OF ALL TICKETS FOR THE LOTTERY IN WHICH SUCH PRIZES WERE AWARDED REMAIN-
44 ING AFTER PROVISION FOR THE PAYMENT OF PRIZES AS HEREIN PROVIDED. ANY
45 REVENUES DERIVED FROM THE SALE OF ADVERTISING ON LOTTERY TICKETS SHALL
46 BE DEPOSITED IN THE STATE LOTTERY FUND.

47 2. As consideration for the operation of a video lottery gaming facil-
48 ity, the division, shall cause the investment in the racing industry of
49 a portion of the vendor fee received pursuant to paragraph one of this
50 subdivision in the manner set forth in this subdivision. With the
51 exception of Aqueduct racetrack OR A FACILITY IN THE COUNTY OF NASSAU OR
52 SUFFOLK OPERATED BY A CORPORATION ESTABLISHED PURSUANT TO SECTION FIVE
53 HUNDRED TWO OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW OR A
54 FACILITY IN THE COUNTY OF NASSAU OR SUFFOLK OPERATED BY A CORPORATION
55 ESTABLISHED PURSUANT TO SECTION FIVE HUNDRED TWO OF THE RACING, PARI-MU-
56 TUEL WAGERING AND BREEDING LAW , EACH SUCH TRACK SHALL DEDICATE A

1 PORTION OF ITS VENDOR FEES, RECEIVED PURSUANT TO CLAUSE (A), (B), (C),
2 (D), (E), (F), OR (G) OF SUBPARAGRAPH (II) OF PARAGRAPH ONE OF THIS
3 SUBDIVISION, SOLELY FOR THE PURPOSE OF ENHANCING PURSES AT SUCH TRACK,
4 IN AN AMOUNT EQUAL TO EIGHT AND THREE-QUARTERS PERCENT OF THE TOTAL
5 REVENUE WAGERED AT THE VENDOR TRACK AFTER PAY OUT FOR PRIZES. ONE
6 PERCENT OF SUCH PURSE ENHANCEMENT AMOUNT SHALL BE PAID TO THE GAMING
7 COMMISSION TO BE USED EXCLUSIVELY TO PROMOTE AND ENSURE EQUINE HEALTH
8 AND SAFETY IN NEW YORK. ANY PORTION OF SUCH FUNDING TO THE GAMING
9 COMMISSION UNUSED DURING A FISCAL YEAR SHALL BE RETURNED TO THE VIDEO
10 LOTTERY GAMING OPERATORS ON A PRO RATA BASIS IN ACCORDANCE WITH THE
11 AMOUNTS ORIGINALLY CONTRIBUTED BY EACH OPERATOR AND SHALL BE USED FOR
12 THE PURPOSE OF ENHANCING PURSES AT SUCH TRACK. IN ADDITION, WITH THE
13 EXCEPTION OF AQUEDUCT RACETRACK, one and one-quarter percent of total
14 revenue wagered at the vendor track after pay out for prizes, received
15 pursuant to clause (A), (B), (C), (D), (E), (F), or (G) of subparagraph
16 (ii) of paragraph one of this subdivision, shall be distributed to the
17 appropriate breeding fund for the manner of racing conducted by such
18 track.

19 Provided, further, that nothing in this paragraph shall prevent each
20 track from entering into an agreement, not to exceed five years, with
21 the organization authorized to represent its horsemen to increase or
22 decrease the portion of its vendor fee dedicated to enhancing purses at
23 such track during the years of participation by such track, or to race
24 fewer dates than required herein.

25 3. Nothing in paragraph two of this subdivision shall affect any
26 agreement in effect on or before the effective date of this paragraph,
27 except that the obligation to pay funds to the gaming commission to
28 promote and ensure equine health and safety shall supersede any
29 provision to the contrary in any such agreement.

30 c. 1. The specifications for video lottery gaming, including any
31 joint, multi-jurisdiction, and out-of-state video lottery gaming, shall
32 be designed in such a manner as to pay prizes that average no less than
33 ninety percent of sales.

34 2. Of the ten percent retained by the division for administrative
35 purposes, any amounts beyond that which are necessary for the operation
36 and administration of this pilot program shall be deposited in the
37 lottery education account.

38 d. Notwithstanding any law, rule or regulation to the contrary, any
39 successor to the New York Racing Association, Inc. with respect to the
40 operation and maintenance of video lottery gaming at Aqueduct racetrack
41 shall be deemed the successor to the New York Racing Association, Inc.
42 for purposes of being subject to existing contracts and loan agreements,
43 if any, entered into by the New York Racing Association, Inc. directly
44 related to the construction, operation, management and distribution of
45 revenues of the video lottery gaming facility at Aqueduct racetrack.

46 e. The video lottery gaming operator selected to operate a video
47 lottery terminal facility at Aqueduct will be subject to a memorandum of
48 understanding between the governor, temporary president of the senate
49 and the speaker of the assembly. Notwithstanding subparagraph (i) of
50 paragraph a of subdivision eight of section two hundred twelve of the
51 racing, pari-mutuel wagering and breeding law, the state, pursuant to an
52 agreement with the video lottery gaming operator to operate a video
53 lottery terminal facility at Aqueduct, may authorize, as part of such
54 agreement or in conjunction with such agreement at the time it is
55 executed, additional development at the Aqueduct racing facility. The
56 selection will be made in consultation with the franchised corporation,

1 but is not subject to such corporation's approval. The franchised corpo-
2 ration shall not be eligible to compete to operate or to operate a video
3 lottery terminal facility at Aqueduct. The state will use its best
4 efforts to ensure that the video lottery terminal facility at Aqueduct
5 is opened as soon as is practicable and will, if practicable, pursue the
6 construction of a temporary video lottery terminal facility at Aqueduct
7 subject to staying within an agreed budget for such video lottery termi-
8 nal facility and subject to such temporary facility not having an
9 adverse impact on opening of the permanent facility at Aqueduct. To
10 facilitate the opening of the video lottery gaming facility at Aqueduct
11 as soon as is practicable, the division of the lottery may extend the
12 term of any existing contract related to the video lottery system.

13 f. As consideration for the operation of the video lottery gaming
14 facility at Aqueduct racetrack, the division shall cause the investment
15 in the racing industry of the following percentages of the vendor fee to
16 be deposited or paid, as follows:

17 1. Six and one-half percent of the total wagered after payout of
18 prizes for the first year of operation of video lottery gaming at Aque-
19 duct racetrack, seven percent of the total wagered after payout of
20 prizes for the second year of operation, and seven and one-half percent
21 of the total wagered after payout of prizes for the third year of opera-
22 tion and thereafter, for the purpose of enhancing purses at Aqueduct
23 racetrack, Belmont Park racetrack and Saratoga race course. One percent
24 of such purse enhancement amount shall be paid to the gaming commission
25 to be used exclusively to promote and ensure equine health and safety in
26 New York. Any portion of such funding to the gaming commission unused
27 during a fiscal year shall be returned on a pro rata basis in accordance
28 with the amounts originally contributed and shall be used for the
29 purpose of enhancing purses at such tracks.

30 2. One percent of the total wagered after payout of prizes for the
31 first year of operation of video lottery gaming at Aqueduct racetrack,
32 one and one-quarter percent of the total wagered after payout of prizes
33 for the second year of operation, and one and one-half percent of the
34 total wagered after payout of prizes for the third year of operation and
35 thereafter, for an appropriate breeding fund for the manner of racing
36 conducted at Aqueduct racetrack, Belmont Park racetrack and Saratoga
37 race course.

38 3. Four percent of the total revenue wagered after payout of prizes to
39 be deposited into an account of the franchised corporation established
40 pursuant to section two hundred six of the racing, pari-mutuel wagering
41 and breeding law to be used for capital expenditures in maintaining and
42 upgrading Aqueduct racetrack, Belmont Park racetrack and Saratoga race
43 course.

44 4. Three percent of the total revenue wagered after payout for prizes
45 to be deposited into an account of the franchised corporation estab-
46 lished pursuant to section two hundred six of the racing, pari-mutuel
47 wagering and breeding law to be used for general thoroughbred racing
48 operations at Aqueduct racetrack, Belmont Park racetrack and Saratoga
49 race course.

50 5. Paragraphs one, two, three and four of this subdivision shall be
51 known collectively as the "racing support payments".

52 g. In the event the state elects to construct a video lottery terminal
53 facility at the Aqueduct racetrack, all video lottery terminal revenues
54 payable to the video lottery gaming operator at the Aqueduct racetrack
55 remaining after payment of the racing support payments shall first be
56 used to repay the state's advances for (i) confirmation of the chapter

eleven plan of reorganization and cash advances for the franchised corporation's operations following confirmation of the chapter eleven plan of reorganization and (ii) the amount expended by the state to construct such video lottery terminal facility at Aqueduct racetrack pursuant to an agreement with the state. Subparagraphs (i) and (ii) of this paragraph shall be defined as the state advance amount and the amounts payable to the division of the lottery.

h. As consideration for the operation of a video lottery gaming resort facility located in Sullivan county, the division shall cause the investment in the racing industry at the following amount from the vendor fee to be paid as follows:

As amount to the horsemen for purses at a licensed racetrack in Sullivan county and to the agriculture and New York state horse breeding development fund to maintain racing support payments at the same dollar levels realized in two thousand thirteen, to be adjusted by the consumer price index for all urban consumers, as published annually by the United States department of labor bureau of labor statistics. In no circumstance shall net proceeds of the lottery, including the proceeds from video lottery gaming, be used for the payment of non-lottery expenses of the gaming commission, administrative or otherwise.

(F-1) AS CONSIDERATION FOR OPERATION OF VIDEO LOTTERY GAMING FACILITY LOCATED IN THE COUNTY OF NASSAU OF SUFFOLK AND OPERATED BY A CORPORATION ESTABLISHED PURSUANT TO SECTION FIVE HUNDRED TWO OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW, THE DIVISION SHALL CAUSE THE IN THE RACING INDUSTRY OF THE FOLLOWING PERCENTAGES OF THE VENDOR FEE TO BE DEPOSITED OR PAID AS FOLLOWS:

(1) TWO AND THREE TENTHS PERCENT OF THE TOTAL WAGERED AFTER PAYOUT OF PRIZES FOR THE PURPOSE OF ENHANCING PURSES AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PURSE SUPPORT FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS, SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

(2) FIVE TENTHS PERCENT OF THE TOTAL WAGERED AFTER PAYOUT OF PRIZES FOR THE APPROPRIATE BREEDING FUND FOR THE MANNER OF RACING AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PAYMENTS FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS, SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

(3) ONE AND THREE TENTHS PERCENT OF THE TOTAL REVENUE WAGERED AFTER PAYOUT OF PRIZES TO BE DEPOSITED INTO AN ACCOUNT OF THE FRANCHISED CORPORATION ESTABLISHED PURSUANT TO SECTION TWO HUNDRED SIX OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW TO BE USED FOR CAPITAL EXPENDITURES IN MAINTAINING AND UPGRADING AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PAYMENTS FOR CAPITAL EXPENDITURES FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNU-

ALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS,
SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

(4) NINE TENTHS PERCENT OF THE TOTAL REVENUE WAGERED AFTER PAYOUT FOR PRIZES TO BE DEPOSITED INTO AN ACCOUNT OF THE FRANCHISED CORPORATION ESTABLISHED PURSUANT TO SECTION TWO HUNDRED SIX OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW TO BE USED FOR GENERAL THOROUGHBRED RACING OPERATIONS AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PAYMENTS FOR GENERAL THOROUGHBRED RACING OPERATIONS FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS, SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

S 41. Subdivision a of section 1617-a of the tax law is amended by adding a new paragraph 5 to read as follows:

(5) AT A FACILITY ESTABLISHED PURSUANT TO A COMPETITIVE PROCESS TO BE DETERMINED BY THE STATE GAMING COMMISSION, ESTABLISHED WITHIN REGION THREE OF ZONE ONE AS ESTABLISHED BY SECTION ONE THOUSAND THREE HUNDRED TEN OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW, LIMITED TO NASSAU COUNTY. SUCH FACILITY MAY ONLY BE AUTHORIZED BY THE STATE GAMING COMMISSION FOLLOWING LOCAL GOVERNMENTAL CONSULTATION AND CONSIDERATION OF MARKET FACTORS SUCH AS POTENTIAL REVENUE IMPACT, JOB DEVELOPMENT AND CAPITAL INVESTMENT. THE FACILITY AUTHORIZED PURSUANT TO THIS PARAGRAPH SHALL BE DEEMED A VENDOR FOR ALL PURPOSES UNDER THIS ARTICLE, AND NEED NOT BE OPERATED BY LICENSED THOROUGHBRED OR HARNESS RACING ASSOCIATIONS OR CORPORATIONS. THE FACILITY AUTHORIZED PURSUANT TO THIS PARAGRAPH SHALL BE DEEMED VENDORS FOR ALL PURPOSES UNDER THIS ARTICLE.

S 42. Section 1612 of the tax law, as amended by chapter 2 of the laws of 1995, paragraph 1 of subdivision a as amended by chapter 147 of the laws of 2010, subparagraph (A) of paragraph 1 of subdivision a as amended by section 1 of part S of chapter 59 of the laws of 2012, paragraph 2 of subdivision a as amended by section 1 of part P of chapter 61 of the laws of 2011, paragraphs 3, 4 and 5 and the second undesignated and closing paragraph of subdivision a as amended by section 1 of part Q of chapter 61 of the laws of 2011, subdivision 6 as amended by section 1 of part O-1 of chapter 57 of the laws of 2009, the opening paragraph of paragraph 1 of subdivision b as amended by section 1 of part R of chapter 61 of the laws of 2011, subparagraph (ii) of paragraph 1 of subdivision b as amended by section 6 of part K of chapter 57 of the laws of 2010, clause (F) of subparagraph (ii) of paragraph 1 of subdivision b as amended by section 1 of part T of chapter 59 of the laws of 2013, clause (H) of subparagraph (ii) of paragraph 1 of subdivision b as amended by chapter 454 of the laws of 2012, clause (I) of subparagraph (ii) of paragraph 1 of subdivision b as added by section 1 of part O of chapter 61 of the laws of 2011, paragraphs 2 and 3 of subdivision 6 as amended by section 1 of part J of chapter 55 of the laws of 2013, subdivision c as amended by section 2 of part CC of chapter 61 of the laws of 2005, paragraph 1 of subdivision c as amended by section 2 of part R of chapter 61 of the laws of 2011, subdivision d as amended and subdivision e as added by chapter 18 of the laws of 2008, subdivisions f and g as amended by chapter 140 of the laws of 2008, paragraph 1 of subdivision f as amended by section 2 of part J of chapter 55 of the laws if 2013, subdivision h as added by section 13 of part A of chapter 60 of the laws of 2012, is amended to read as follows:

1 S 1612. Disposition of revenues. a. The division shall pay into an
2 account, to be known as the lottery prize account, under the joint
3 custody of the comptroller and the commissioner, within one week after
4 collection of sales receipts from a lottery game, such moneys necessary
5 for the payment of lottery prizes but not to exceed the following
6 percentages, plus interest earned thereon:

7 (1) sixty percent of the total amount for which tickets have been sold
8 for a lawful lottery game introduced on or after the effective date of
9 this paragraph, subject to the following provisions:

10 (A) such game shall be available only on premises occupied by licensed
11 lottery sales agents, subject to the following provisions:

12 (i) if the licensee does not hold a license issued pursuant to the
13 alcoholic beverage control law to sell alcoholic beverages for consump-
14 tion on the premises, then the premises must have a minimum square
15 footage greater than two thousand five hundred square feet;

16 (ii) notwithstanding the foregoing provisions, television equipment
17 that automatically displays the results of such drawings may be
18 installed and used without regard to the square footage if such premises
19 are used as:

20 (I) a commercial bowling establishment, or

21 (II) a facility authorized under the racing, pari-mutuel wagering and
22 breeding law to accept pari-mutuel wagers;

23 (B) the rules for the operation of such game shall be as prescribed by
24 regulations promulgated and adopted by the division, provided however,
25 that such rules shall provide that no person under the age of twenty-one
26 may participate in such games on the premises of a licensee who holds a
27 license issued pursuant to the alcoholic beverage control law to sell
28 alcoholic beverages for consumption on the premises; and, provided,
29 further, that such regulations may be revised on an emergency basis not
30 later than ninety days after the enactment of this paragraph in order to
31 conform such regulations to the requirements of this paragraph; or

32 (2) sixty-five percent of the total amount for which tickets have been
33 sold for the "Instant Cash" game in which the participant purchases a
34 preprinted ticket on which dollar amounts or symbols are concealed on
35 the face or the back of such ticket, provided however up to five new
36 games may be offered during the fiscal year, seventy-five percent of the
37 total amount for which tickets have been sold for such five games in
38 which the participant purchases a preprinted ticket on which dollar
39 amounts or symbols are concealed on the face or the back of such ticket;
40 or

41 (3) fifty-five percent of the total amount for which tickets have been
42 sold for any joint, multi-jurisdiction, and out-of-state lottery except
43 as otherwise provided in paragraph one of subdivision b of this section
44 for any joint, multi-jurisdiction, out-of-state video lottery gaming; or

45 (4) fifty percent of the total amount for which tickets have been sold
46 for games known as: (A) the "Daily Numbers Game" or "Win 4", discrete
47 games in which the participants select no more than three or four of
48 their own numbers to match with three or four numbers drawn by the divi-
49 sion for purposes of determining winners of such games, (B) "Pick 10",
50 offered no more than once daily, in which participants select from a
51 specified field of numbers a subset of ten numbers to match against a
52 subset of numbers to be drawn by the division from such field of numbers
53 for the purpose of determining winners of such game, (C) "Take 5",
54 offered no more than once daily, in which participants select from a
55 specified field of numbers a subset of five numbers to match against a

subset of five numbers to be drawn by the division from such field of numbers for purposes of determining winners of such game; or

(5) forty percent of the total amount for which tickets have been sold for: (A) "Lotto", offered no more than once daily, a discrete game in which all participants select a specific subset of numbers to match a specific subset of numbers, as prescribed by rules and regulations promulgated and adopted by the division, from a larger specific field of numbers, as also prescribed by such rules and regulations and (B) with the exception of the game described in paragraph one of this subdivision, such other state-operated lottery games which the division may introduce, offered no more than once daily, commencing on or after forty-five days following the official publication of the rules and regulations for such game.

The moneys in the lottery prize account shall be paid out of such account on the audit and warrant of the comptroller on vouchers certified or approved by the director or his or her duly designated official.

Prize money derived from ticket sales receipts of a particular game and deposited in the lottery prize account in accordance with the percentages set forth above may be used to pay prizes in such game. Balances in the lottery prize account identified by individual games may be carried over from one fiscal year to the next to ensure proper payout of games.

b. 1. Notwithstanding section one hundred twenty-one of the state finance law, on or before the twentieth day of each month, the division shall pay into the state treasury, to the credit of the state lottery fund created by section ninety-two-c of the state finance law, not less than forty-five percent of the total amount for which tickets have been sold for games defined in paragraph four of subdivision a of this section during the preceding month, not less than thirty-five percent of the total amount for which tickets have been sold for games defined in paragraph three of subdivision a of this section during the preceding month, not less than twenty percent of the total amount for which tickets have been sold for games defined in paragraph two of subdivision a of this section during the preceding month, provided however that for games with a prize payout of seventy-five percent of the total amount for which tickets have been sold, the division shall pay not less than ten percent of sales into the state treasury and not less than twenty-five percent of the total amount for which tickets have been sold for games defined in paragraph one of subdivision a of this section during the preceding month; and the balance of the total revenue after payout for prizes for games known as "video lottery gaming," including any joint, multi-jurisdiction, and out-of-state video lottery gaming, (i) less ten percent of the total revenue wagered after payout for prizes to be retained by the division for operation, administration, and procurement purposes; (ii) less a vendor's fee the amount of which is to be paid for serving as a lottery agent to the track operator of a vendor track:

(A) having fewer than one thousand one hundred video gaming machines, at a rate of thirty-five percent for the first fifty million dollars annually, twenty-eight percent for the next hundred million dollars annually, and twenty-five percent thereafter of the total revenue wagered at the vendor track after payout for prizes pursuant to this chapter;

(B) having one thousand one hundred or more video gaming machines, at a rate of thirty-one percent of the total revenue wagered at the vendor track after payout for prizes pursuant to this chapter, except for such

1 facility located in the county of Westchester, in which case the rate
2 shall be thirty percent until March thirty-first, two thousand twelve.

3 Notwithstanding the foregoing, not later than April first, two thou-
4 sand twelve, the vendor fee shall become thirty-one percent and remain
5 at that level thereafter; and except for Aqueduct racetrack, in which
6 case the vendor fee shall be thirty-eight percent of the total revenue
7 wagered at the vendor track after payout for prizes pursuant to this
8 chapter;

9 (C) notwithstanding clauses (A) and (B) of this subparagraph, when the
10 vendor track is located in an area with a population of less than one
11 million within the forty mile radius around such track, at a rate of
12 thirty-nine percent for the first fifty million dollars annually, twen-
13 ty-eight percent for the next hundred million dollars annually, and
14 twenty-five percent thereafter of the total revenue wagered at the
15 vendor track after payout for prizes pursuant to this chapter;

16 (D) notwithstanding clauses (A), (B) and (C) of this subparagraph,
17 when the vendor track is located within fifteen miles of a Native Ameri-
18 can class III gaming facility at a rate of forty-one percent of the
19 total revenue wagered at the vendor track after payout for prizes pursu-
20 ant to this chapter;

21 (E) notwithstanding clauses (A), (B), (C) and (D) of this subpara-
22 graph, when a Native American class III gaming facility is established,
23 after the effective date of this subparagraph, within fifteen miles of
24 the vendor track, at a rate of forty-one percent of the total revenue
25 wagered after payout for prizes pursuant to this chapter;

26 (E-1) for purposes of this subdivision, the term "class III gaming"
27 shall have the meaning defined in 25 U.S.C. S 2703(8).

28 (F) notwithstanding clauses (A), (B), (C), (D) and (E) of this subpar-
29 agraph, when a vendor track, is located in Sullivan county and within
30 sixty miles from any gaming facility in a contiguous state such vendor
31 fee shall, for a period of six years commencing April first, two thou-
32 sand eight, be at a rate of forty-one percent of the total revenue
33 wagered at the vendor track after payout for prizes pursuant to this
34 chapter, after which time such rate shall be as for all tracks in clause
35 (C) of this subparagraph.

36 (G) notwithstanding clauses (A), (B), (C), (D), (E) and (F) of this
37 subparagraph, when [no more than one vendor track] A RESORT FACILITY TO
38 BE OPERATED BY OTHER THAN A PRESENTLY LICENSED VIDEO LOTTERY GAMING
39 OPERATOR OR ANY ENTITY AFFILIATED THEREWITH SELECTED BY THE DIVISION
40 FOLLOWING A COMPETITIVE PROCESS located in [the town of Thompson in]
41 Sullivan county [at the site of the former Concord Resort] at which a
42 qualified capital investment has been made and no fewer than one thou-
43 sand full-time, permanent employees have been newly hired, is located in
44 Sullivan county and is within sixty miles from any gaming facility in a
45 contiguous state, then for a period of forty years the vendor's fee
46 shall equal the total revenue wagered at the vendor track after payout
47 of prizes pursuant to this subdivision reduced by the greater of (i)
48 twenty-five percent of total revenue after payout for prizes for "video
49 lottery games" or (ii) for the first eight years of operation thirty-
50 eight million dollars, and beginning in the ninth year of operation such
51 amount shall increase annually by the lesser of the increase in the
52 consumer price index or two percent, plus seven percent of total revenue
53 after payout of prizes. In addition, in the event the vendor fee is
54 calculated pursuant to subclause (i) of this clause, the vendor's fee
55 shall be further reduced by 11.11 percent of the amount by which total
56 revenue after payout for prizes exceeds two hundred fifteen million

1 dollars, but in no event shall such reduction exceed five million
2 dollars.

3 Provided, however, that in the case of [no more than one vendor track]
4 A RESORT FACILITY located [in the town of Thompson] in Sullivan county
5 [at the site of the former Concord Resort] with a qualified capital
6 investment, and one thousand full-time, permanent employees if at any
7 time after three years of opening operations of the licensed video
8 gaming facility [or licensed vendor track], the [vendor track] RESORT
9 FACILITY experiences an employment shortfall, then the recapture amount
10 shall apply, for only such period as the shortfall exists.

11 For the purposes of this section "qualified capital investment" shall
12 mean an investment of a minimum of six hundred million dollars as
13 reflected by audited financial statements of which not less than three
14 hundred million dollars shall be comprised of equity and/or mezzanine
15 financing as an initial investment in a county where twelve percent of
16 the population is below the federal poverty level as measured by the
17 most recent Bureau of Census Statistics prior to the qualified capital
18 investment commencing that results in the construction, development or
19 improvement of at least one eighteen hole golf course, and the
20 construction and issuance of certificates of occupancy for hotels, lodg-
21 ing, spas, dining, retail and entertainment venues, parking garages and
22 other capital improvements at or adjacent to the licensed video gaming
23 facility or licensed vendor track which promote or encourage increased
24 attendance at such facilities.

25 For the purposes of this section, "full-time, permanent employee"
26 shall mean an employee who has worked at the video gaming facility[,
27 vendor track] or related and adjacent facilities for a minimum of thir-
28 ty-five hours per week for not less than four consecutive weeks and who
29 is entitled to receive the usual and customary fringe benefits extended
30 to other employees with comparable rank and duties; or two part-time
31 employees who have worked at the video gaming facility, vendor track or
32 related and adjacent facilities for a combined minimum of thirty-five
33 hours per week for not less than four consecutive weeks and who are
34 entitled to receive the usual and customary fringe benefits extended to
35 other employees with comparable rank and duties.

36 For the purpose of this section "employment goal" shall mean one thou-
37 sand five hundred full-time permanent employees after three years of
38 opening operations of the licensed video gaming facility [or licensed
39 vendor track].

40 For the purpose of this section "employment shortfall" shall mean a
41 level of employment that falls below the employment goal, as certified
42 annually by vendor's certified accountants and the chairman of the
43 empire state development corporation.

44 For the purposes of this section "recapture amount" shall mean the
45 difference between the amount of the vendor's fee paid to a vendor
46 [track] with a qualified capital investment, and the vendor fee other-
47 wise payable to a vendor [track] pursuant to clause (F) of this subpara-
48 graph, that is reimbursable by the vendor track to the division for
49 payment into the state treasury, to the credit of the state lottery fund
50 created by section ninety-two-c of the state finance law, due to an
51 employment shortfall pursuant to the following schedule only for the
52 period of the employment shortfall:

53 (i) one hundred percent of the recapture amount if the employment
54 shortfall is greater than sixty-six and two-thirds percent of the
55 employment goal;

1 (ii) seventy-five percent of the recapture amount if the employment
2 shortfall is greater than thirty-three and one-third percent of the
3 employment goal;

4 (iii) forty-nine and one-half percent of the recapture amount if the
5 employment shortfall is greater than thirty percent of the employment
6 goal;

7 (iv) twenty-two percent of the recapture amount if the employment
8 shortfall is greater than twenty percent of the employment goal;

9 (v) eleven percent of the recapture amount if the employment shortfall
10 is greater than ten percent of the employment goal.

11 (G) notwithstanding clauses (A), (B), (C), (D), (E) and (F) of this
12 subparagraph, when no more than one vendor track located in the town of
13 Thompson in Sullivan county at the site of the former Concord Resort at
14 which a qualified capital investment has been made and no fewer than one
15 thousand full-time, permanent employees have been newly hired, is
16 located in Sullivan county and is within sixty miles from any gaming
17 facility in a contiguous state, then for a period of forty years the
18 vendor's fee shall equal the total revenue wagered at the vendor track
19 after payout of prizes pursuant to this subdivision reduced by the
20 greater of (i) twenty-five percent of total revenue after payout for
21 prizes for "video lottery games" or (ii) for the first eight years of
22 operation thirty-eight million dollars, and beginning in the ninth year
23 of operation such amount shall increase annually by the lesser of the
24 increase in the consumer price index or two percent, plus seven percent
25 of total revenue after payout of prizes. In addition, in the event the
26 vendor fee is calculated pursuant to subclause (i) of this clause, the
27 vendor's fee shall be further reduced by 11.11 percent of the amount by
28 which total revenue after payout for prizes exceeds two hundred fifteen
29 million dollars, but in no event shall such reduction exceed five
30 million dollars.

31 Provided, however, that in the case of no more than one vendor track
32 located in the town of Thompson in Sullivan county at the site of the
33 former Concord Resort with a qualified capital investment, and one thou-
34 sand full-time, permanent employees if at any time after three years of
35 opening operations of the licensed video gaming facility or licensed
36 vendor track, the vendor track experiences an employment shortfall, then
37 the recapture amount shall apply, for only such period as the shortfall
38 exists.

39 For the purposes of this section "qualified capital investment" shall
40 mean an investment of a minimum of six hundred million dollars as
41 reflected by audited financial statements of which not less than three
42 hundred million dollars shall be comprised of equity and/or mezzanine
43 financing as an initial investment in a county where twelve percent of
44 the population is below the federal poverty level as measured by the
45 most recent Bureau of Census Statistics prior to the qualified capital
46 investment commencing that results in the construction, development or
47 improvement of at least one eighteen hole golf course, and the
48 construction and issuance of certificates of occupancy for hotels, lodg-
49 ing, spas, dining, retail and entertainment venues, parking garages and
50 other capital improvements at or adjacent to the licensed video gaming
51 facility or licensed vendor track which promote or encourage increased
52 attendance at such facilities.

53 For the purposes of this section, "full-time, permanent employee"
54 shall mean an employee who has worked at the video gaming facility,
55 vendor track or related and adjacent facilities for a minimum of thir-
56 ty-five hours per week for not less than four consecutive weeks and who

1 is entitled to receive the usual and customary fringe benefits extended
2 to other employees with comparable rank and duties; or two part-time
3 employees who have worked at the video gaming facility, vendor track or
4 related and adjacent facilities for a combined minimum of thirty-five
5 hours per week for not less than four consecutive weeks and who are
6 entitled to receive the usual and customary fringe benefits extended to
7 other employees with comparable rank and duties.

8 For the purpose of this section "employment goal" shall mean one thou-
9 sand five hundred full-time permanent employees after three years of
10 opening operations of the licensed video gaming facility or licensed
11 vendor track.

12 For the purpose of this section "employment shortfall" shall mean a
13 level of employment that falls below the employment goal, as certified
14 annually by vendor's certified accountants and the chairman of the
15 empire state development corporation.

16 For the purposes of this section "recapture amount" shall mean the
17 difference between the amount of the vendor's fee paid to a vendor track
18 with a qualified capital investment, and the vendor fee otherwise paya-
19 ble to a vendor track pursuant to clause (F) of this subparagraph, that
20 is reimbursable by the vendor track to the division for payment into the
21 state treasury, to the credit of the state lottery fund created by
22 section ninety-two-c of the state finance law, due to an employment
23 shortfall pursuant to the following schedule only for the period of the
24 employment shortfall:

25 (i) one hundred percent of the recapture amount if the employment
26 shortfall is greater than sixty-six and two-thirds percent of the
27 employment goal;

28 (ii) seventy-five percent of the recapture amount if the employment
29 shortfall is greater than thirty-three and one-third percent of the
30 employment goal;

31 (iii) forty-nine and one-half percent of the recapture amount if the
32 employment shortfall is greater than thirty percent of the employment
33 goal;

34 (iv) twenty-two percent of the recapture amount if the employment
35 shortfall is greater than twenty percent of the employment goal;

36 (v) eleven percent of the recapture amount if the employment shortfall
37 is greater than ten percent of the employment goal.

38 (G-1) NOTWITHSTANDING CLAUSE (A) AND (B) OF THIS SUBPARAGRAPH, WHEN A
39 VIDEO LOTTERY GAMING FACILITY IS LOCATED IN EITHER THE COUNTY OF NASSAU
40 OR SUFFOLK AND IS OPERATED BY A CORPORATION ESTABLISHED PURSUANT TO
41 SECTION FIVE HUNDRED TWO OF THE RACING, PARI-MUTUEL WAGERING AND BREED-
42 ING LAW AT A RATE OF THIRTY-FIVE PERCENT OF THE TOTAL REVENUE WAGERED AT
43 THE VENDOR TRACK AFTER PAYOUT FOR PRIZES PURSUANT TO THIS CHAPTER;

44 (G-2) NOTWITHSTANDING CLAUSE (A) AND (B) OF THIS SUBPARAGRAPH, WHEN A
45 VIDEO LOTTERY GAMING FACILITY IS LOCATED IN THE COUNTY OF NASSAU ESTAB-
46 LISHED PURSUANT TO A COMPETITIVE PROCESS PURSUANT TO PARAGRAPH (5) OF
47 SECTION SIX THOUSAND SEVENTEEN-A OF THIS ARTICLE AT A RATE OF
48 THIRTY-FIVE PERCENT OF THE TOTAL REVENUE WAGERED AT THE VENDOR TRACK
49 AFTER PAYOUT FOR PRIZES PURSUANT TO THIS CHAPTER;

50 (H) notwithstanding clauses (A), (B), (C), (D), (E), (F) and (G) of
51 this subparagraph, the track operator of a vendor track shall be eligi-
52 ble for a vendor's capital award of up to four percent of the total
53 revenue wagered at the vendor track after payout for prizes pursuant to
54 this chapter, which shall be used exclusively for capital project
55 investments to improve the facilities of the vendor track which promote
56 or encourage increased attendance at the video lottery gaming facility

1 including, but not limited to hotels, other lodging facilities, enter-
2 tainment facilities, retail facilities, dining facilities, events
3 arenas, parking garages and other improvements that enhance facility
4 amenities; provided that such capital investments shall be approved by
5 the division, in consultation with the state racing and wagering board,
6 and that such vendor track demonstrates that such capital expenditures
7 will increase patronage at such vendor track's facilities and increase
8 the amount of revenue generated to support state education programs. The
9 annual amount of such vendor's capital awards that a vendor track shall
10 be eligible to receive shall be limited to two million five hundred
11 thousand dollars, except for Aqueduct racetrack, for which there shall
12 be no vendor's capital awards. Except for tracks having less than one
13 thousand one hundred video gaming machines, each track operator shall be
14 required to co-invest an amount of capital expenditure equal to its
15 cumulative vendor's capital award. For all tracks, except for Aqueduct
16 racetrack, the amount of any vendor's capital award that is not used
17 during any one year period may be carried over into subsequent years
18 ending before April first, two thousand fourteen. Any amount attribut-
19 able to a capital expenditure approved prior to April first, two thou-
20 sand fourteen and completed before April first, two thousand sixteen
21 shall be eligible to receive the vendor's capital award. In the event
22 that a vendor track's capital expenditures, approved by the division
23 prior to April first, two thousand fourteen and completed prior to April
24 first, two thousand sixteen, exceed the vendor track's cumulative capi-
25 tal award during the five year period ending April first, two thousand
26 fourteen, the vendor shall continue to receive the capital award after
27 April first, two thousand fourteen until such approved capital expendi-
28 tures are paid to the vendor track subject to any required co-invest-
29 ment. In no event shall any vendor track that receives a vendor fee
30 pursuant to clause (F) or (G) of this subparagraph be eligible for a
31 vendor's capital award under this section. Any operator of a vendor
32 track which has received a vendor's capital award, choosing to divest
33 the capital improvement toward which the award was applied, prior to the
34 full depreciation of the capital improvement in accordance with general-
35 ly accepted accounting principles, shall reimburse the state in amounts
36 equal to the total of any such awards. Any capital award not approved
37 for a capital expenditure at a video lottery gaming facility by April
38 first, two thousand fourteen shall be deposited into the state lottery
39 fund for education aid; and

40 (I) Notwithstanding any provision of law to the contrary, free play
41 allowance credits authorized by the division pursuant to subdivision f
42 of section sixteen hundred seventeen-a of this article shall not be
43 included in the calculation of the total amount wagered on video lottery
44 games, the total amount wagered after payout of prizes, the vendor fees
45 payable to the operators of video lottery facilities, vendor's capital
46 awards, fees payable to the division's video lottery gaming equipment
47 contractors, or racing support payments.

48 (iii) less an additional vendor's marketing allowance at a rate of ten
49 percent for the first one hundred million dollars annually and eight
50 percent thereafter of the total revenue wagered at the vendor track
51 after payout for prizes to be used by the vendor track for the marketing
52 and promotion and associated costs of its video lottery gaming oper-
53 ations and pari-mutuel horse racing operations, as long as any such
54 costs associated with pari-mutuel horse racing operations simultaneously
55 encourage increased attendance at such vendor's video lottery gaming
56 facilities, consistent with the customary manner of marketing comparable

1 operations in the industry and subject to the overall supervision of the
2 division; provided, however, that the additional vendor's marketing
3 allowance shall not exceed eight percent in any year for any operator of
4 a racetrack located in the county of Westchester or Queens; provided,
5 however, a vendor track that receives a vendor fee pursuant to clause
6 (G) of subparagraph (ii) of this paragraph shall not receive the addi-
7 tional vendor's marketing allowance. In establishing the vendor fee, the
8 division shall ensure the maximum lottery support for education while
9 also ensuring the effective implementation of section sixteen hundred
10 seventeen-a of this article through the provision of reasonable
11 reimbursements and compensation to vendor tracks for participation in
12 such program. Within twenty days after any award of lottery prizes, the
13 division shall pay into the state treasury, to the credit of the state
14 lottery fund, the balance of all moneys received from the sale of all
15 tickets for the lottery in which such prizes were awarded remaining
16 after provision for the payment of prizes as herein provided. Any reven-
17 ues derived from the sale of advertising on lottery tickets shall be
18 deposited in the state lottery fund.

19 2. As consideration for the operation of a video lottery gaming facil-
20 ity, the division, shall cause the investment in the racing industry of
21 a portion of the vendor fee received pursuant to paragraph one of this
22 subdivision in the manner set forth in this subdivision. With the
23 exception of Aqueduct racetrack, each such track shall dedicate a
24 portion of its vendor fees, received pursuant to clause (A), (B), (C),
25 (D), (E), (F), or (G) of subparagraph (ii) of paragraph one of this
26 subdivision, solely for the purpose of enhancing purses at such track,
27 in an amount equal to eight and three-quarters percent of the total
28 revenue wagered at the vendor track after pay out for prizes. One
29 percent of such purse enhancement amount shall be paid to the gaming
30 commission to be used exclusively to promote and ensure equine health
31 and safety in New York. Any portion of such funding to the gaming
32 commission unused during a fiscal year shall be returned to the video
33 lottery gaming operators on a pro rata basis in accordance with the
34 amounts originally contributed by each operator and shall be used for
35 the purpose of enhancing purses at such track. In addition, with the
36 exception of Aqueduct racetrack, one and one-quarter percent of total
37 revenue wagered at the vendor track after pay out for prizes, received
38 pursuant to clause (A), (B), (C), (D), (E), (F), or (G) of subparagraph
39 (ii) of paragraph one of this subdivision, shall be distributed to the
40 appropriate breeding fund for the manner of racing conducted by such
41 track.

42 Provided, further, that nothing in this paragraph shall prevent each
43 track from entering into an agreement, not to exceed five years, with
44 the organization authorized to represent its horsemen to increase or
45 decrease the portion of its vendor fee dedicated to enhancing purses at
46 such track during the years of participation by such track, or to race
47 fewer dates than required herein.

48 3. Nothing in paragraph two of this subdivision shall affect any
49 agreement in effect on or before the effective date of this paragraph,
50 except that the obligation to pay funds to the gaming commission to
51 promote and ensure equine health and safety shall supersede any
52 provision to the contrary in any such agreement.

53 c. 1. The specifications for video lottery gaming, including any
54 joint, multi-jurisdiction, and out-of-state video lottery gaming, shall
55 be designed in such a manner as to pay prizes that average no less than
56 ninety percent of sales.

1 2. Of the ten percent retained by the division for administrative
2 purposes, any amounts beyond that which are necessary for the operation
3 and administration of this pilot program shall be deposited in the
4 lottery education account.

5 d. Notwithstanding any law, rule or regulation to the contrary, any
6 successor to the New York Racing Association, Inc. with respect to the
7 operation and maintenance of video lottery gaming at Aqueduct racetrack
8 shall be deemed the successor to the New York Racing Association, Inc.
9 for purposes of being subject to existing contracts and loan agreements,
10 if any, entered into by the New York Racing Association, Inc. directly
11 related to the construction, operation, management and distribution of
12 revenues of the video lottery gaming facility at Aqueduct racetrack.

13 e. The video lottery gaming operator selected to operate a video
14 lottery terminal facility at Aqueduct will be subject to a memorandum of
15 understanding between the governor, temporary president of the senate
16 and the speaker of the assembly. Notwithstanding subparagraph (i) of
17 paragraph a of subdivision eight of section two hundred twelve of the
18 racing, pari-mutuel wagering and breeding law, the state, pursuant to an
19 agreement with the video lottery gaming operator to operate a video
20 lottery terminal facility at Aqueduct, may authorize, as part of such
21 agreement or in conjunction with such agreement at the time it is
22 executed, additional development at the Aqueduct racing facility. The
23 selection will be made in consultation with the franchised corporation,
24 but is not subject to such corporation's approval. The franchised corpo-
25 ration shall not be eligible to compete to operate or to operate a video
26 lottery terminal facility at Aqueduct. The state will use its best
27 efforts to ensure that the video lottery terminal facility at Aqueduct
28 is opened as soon as is practicable and will, if practicable, pursue the
29 construction of a temporary video lottery terminal facility at Aqueduct
30 subject to staying within an agreed budget for such video lottery termi-
31 nal facility and subject to such temporary facility not having an
32 adverse impact on opening of the permanent facility at Aqueduct. To
33 facilitate the opening of the video lottery gaming facility at Aqueduct
34 as soon as is practicable, the division of the lottery may extend the
35 term of any existing contract related to the video lottery system.

36 f. As consideration for the operation of the video lottery gaming
37 facility at Aqueduct racetrack, the division shall cause the investment
38 in the racing industry of the following percentages of the vendor fee to
39 be deposited or paid, as follows:

40 1. Six and one-half percent of the total wagered after payout of
41 prizes for the first year of operation of video lottery gaming at Aque-
42 duct racetrack, seven percent of the total wagered after payout of
43 prizes for the second year of operation, and seven and one-half percent
44 of the total wagered after payout of prizes for the third year of opera-
45 tion and thereafter, for the purpose of enhancing purses at Aqueduct
46 racetrack, Belmont Park racetrack and Saratoga race course. One percent
47 of such purse enhancement amount shall be paid to the gaming commission
48 to be used exclusively to promote and ensure equine health and safety in
49 New York. Any portion of such funding to the gaming commission unused
50 during a fiscal year shall be returned on a pro rata basis in accordance
51 with the amounts originally contributed and shall be used for the
52 purpose of enhancing purses at such tracks.

53 2. One percent of the total wagered after payout of prizes for the
54 first year of operation of video lottery gaming at Aqueduct racetrack,
55 one and one-quarter percent of the total wagered after payout of prizes
56 for the second year of operation, and one and one-half percent of the

total wagered after payout of prizes for the third year of operation and thereafter, for an appropriate breeding fund for the manner of racing conducted at Aqueduct racetrack, Belmont Park racetrack and Saratoga race course.

3. Four percent of the total revenue wagered after payout of prizes to be deposited into an account of the franchised corporation established pursuant to section two hundred six of the racing, pari-mutuel wagering and breeding law to be used for capital expenditures in maintaining and upgrading Aqueduct racetrack, Belmont Park racetrack and Saratoga race course.

4. Three percent of the total revenue wagered after payout for prizes to be deposited into an account of the franchised corporation established pursuant to section two hundred six of the racing, pari-mutuel wagering and breeding law to be used for general thoroughbred racing operations at Aqueduct racetrack, Belmont Park racetrack and Saratoga race course.

5. Paragraphs one, two, three and four of this subdivision shall be known collectively as the "racing support payments".

(F-2) AS CONSIDERATION FOR OPERATION OF A VIDEO LOTTERY GAMING FACILITY LOCATED IN THE COUNTY OF NASSAU ESTABLISHED PURSUANT TO A COMPETITIVE PROCESS PURSUANT TO PARAGRAPH (5) OF SECTION SIX THOUSAND SEVENTEEN A OF THIS ARTICLE, THE DIVISION SHALL CAUSE THE IN THE RACING INDUSTRY OF THE FOLLOWING PERCENTAGES OF THE VENDOR FEE TO BE DEPOSITED OR PAID AS FOLLOWS:

(1) TWO AND THREE TENTHS PERCENT OF THE TOTAL WAGERED AFTER PAYOUT OF PRIZES FOR THE PURPOSE OF ENHANCING PURSES AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PURSE SUPPORT FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS, SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

(2) FIVE TENTHS PERCENT OF THE TOTAL WAGERED AFTER PAYOUT OF PRIZES FOR THE APPROPRIATE BREEDING FUND FOR THE MANNER OF RACING AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PAYMENTS FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS, SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

(3) ONE AND THREE TENTHS PERCENT OF THE TOTAL REVENUE WAGERED AFTER PAYOUT OF PRIZES TO BE DEPOSITED INTO AN ACCOUNT OF THE FRANCHISED CORPORATION ESTABLISHED PURSUANT TO SECTION TWO HUNDRED SIX OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW TO BE USED FOR CAPITAL EXPENDITURES IN MAINTAINING AND UPGRADING AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PAYMENTS FOR CAPITAL EXPENDITURES FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS, SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

(4) NINE TENTHS PERCENT OF THE TOTAL REVENUE WAGERED AFTER PAYOUT FOR PRIZES TO BE DEPOSITED INTO AN ACCOUNT OF THE FRANCHISED CORPORATION ESTABLISHED PURSUANT TO SECTION TWO HUNDRED SIX OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW TO BE USED FOR GENERAL THOROUGHBRED RACING OPERATIONS AT AQUEDUCT RACETRACK, BELMONT PARK RACETRACK AND SARATOGA RACE COURSE, PROVIDED, HOWEVER, THAT ANY AMOUNT THAT IS IN EXCESS OF THE AMOUNT NECESSARY TO MAINTAIN PAYMENTS FOR GENERAL THOROUGHBRED RACING OPERATIONS FROM VIDEO LOTTERY GAMING AT AQUEDUCT RACETRACK AT THE SAME LEVEL REALIZED IN IN TWO THOUSAND THIRTEEN, TO BE ADJUSTED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, AS PUBLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF BUREAU OF LABOR STATISTICS, SHALL BE INSTEAD BE RETURNED TO THE COMMISSION.

g. In the event the state elects to construct a video lottery terminal facility at the Aqueduct racetrack, all video lottery terminal revenues payable to the video lottery gaming operator at the Aqueduct racetrack remaining after payment of the racing support payments shall first be used to repay the state's advances for (i) confirmation of the chapter eleven plan of reorganization and cash advances for the franchised corporation's operations following confirmation of the chapter eleven plan of reorganization and (ii) the amount expended by the state to construct such video lottery terminal facility at Aqueduct racetrack pursuant to an agreement with the state. Subparagraphs (i) and (ii) of this paragraph shall be defined as the state advance amount and the amounts payable to the division of the lottery.

h. In no circumstance shall net proceeds of the lottery, including the proceeds from video lottery gaming, be used for the payment of non-lottery expenses of the gaming commission, administrative or otherwise.

S 43. Section 1001 of the racing, pari-mutuel wagering and breeding law, as added by chapter 363 of the laws of 1984, subdivisions n, o and p as added by chapter 445 of the laws of 1997, is amended to read as follows:

S 1001. Definitions. As used in this article, the following terms shall have the following meanings:

a. "Simulcast" means the telecast of live audio and visual signals of running, harness or quarter horse races [conducted in the state] for the purposes of pari-mutuel wagering;

b. "Track" means the grounds or enclosures within which horse races are conducted by any person, association or corporation lawfully authorized to conduct such races in accordance with the terms and conditions of this chapter OR THE LAWS OF ANOTHER JURISDICTION;

c. "Sending track" means any track from which simulcasts originate;

d. "Receiving track" means any track where simulcasts originated from another track are displayed;

e. "Applicant" means any association [or], corporation OR BUSINESS ENTITY applying for a simulcast license in accordance with the provisions of this article;

f. "Operator" means any association [or], corporation OR BUSINESS ENTITY operating a simulcast facility in accordance with the provisions of this article;

g. "Regional track or tracks" means any or all tracks located within a region defined as an off-track betting region, except that for the purposes of section one thousand eight of this article any track located in New York city, or Nassau, Suffolk and Westchester counties, shall be deemed a regional track for all regions located in district one, as defined in this section;

1 h. "[The board]COMMISSION" means the state [racing and wagering board]
2 GAMING COMMISSION;

3 i. "Branch office" means an establishment maintained and operated by
4 an off-track betting corporation, where off-track pari-mutuel betting on
5 horse races may be placed in accordance with the terms and conditions of
6 this chapter and rules and regulations issued pursuant thereto;

7 j. "Simulcast facility" means those facilities within the state that
8 are authorized pursuant to the provisions of this article to display
9 simulcasts for pari-mutuel wagering purposes;

10 k. "Off-track betting region" means those regions as defined in
11 section five hundred nineteen of this chapter;

12 l. "Simulcast theater" means a simulcast facility which is also a
13 public entertainment and wagering facility, and which may include any or
14 all of the following: a large screen television projection and display
15 unit, a display system for odds, pools, and payout prices, areas for
16 viewing and seating, a food and beverage facility, and any other conven-
17 ience currently provided at racetracks and not inconsistent with local
18 zoning ordinances;

19 m. "Simulcast districts" means one or more of the following named
20 districts comprised of the counties within which pari-mutuel racing
21 events are conducted as follows:

22 District 1	New York City, Suffolk, Nassau, and
23	Westchester counties
24 District 2	Sullivan county
25 District 3	Saratoga county
26 District 4	Oneida county
27 District 5	Erie, Genesee and Ontario counties

28 n. "Initial out-of-state thoroughbred track" means the track commenc-
29 ing full-card simulcasting to New York prior to any other out-of-state
30 thoroughbred track after 1:00 PM on any calendar day.

31 o. "Second out-of-state thoroughbred track" means the track (or subse-
32 quent track or tracks where otherwise authorized by this article)
33 conducting full-card simulcasting to New York after the race program
34 from the initial out-of-state thoroughbred track that has commenced
35 simulcasting on any calendar day.

36 p. "Mixed meeting" means a race meeting which has a combination of
37 thoroughbred, quarter horse, Appaloosa, paint, and/or Arabian racing on
38 the same race program.

39 Q. "ACCOUNT WAGERING" MEANS A FORM OF PARI-MUTUEL WAGERING IN WHICH A
40 PERSON ESTABLISHES AN ACCOUNT WITH AN ACCOUNT WAGERING LICENSEE AND
41 SUBSEQUENTLY COMMUNICATES VIA TELEPHONE OR OTHER ELECTRONIC MEDIA TO THE
42 ACCOUNT WAGERING LICENSEE WAGERING INSTRUCTIONS CONCERNING THE FUNDS IN
43 SUCH PERSON'S ACCOUNT AND WAGERS TO BE PLACED ON THE ACCOUNT OWNER'S
44 BEHALF.

45 R. "ACCOUNT WAGERING LICENSEE" MEANS RACING ASSOCIATIONS, AND CORPO-
46 RATIONS; FRANCHISED CORPORATIONS, OFF-TRACK BETTING CORPORATIONS, AND
47 COMMISSION APPROVED MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDERS THAT
48 HAVE BEEN AUTHORIZED BY THE COMMISSION TO OFFER ACCOUNT WAGERING.

49 S. "DORMANT ACCOUNT" MEANS AN ACCOUNT WAGERING ACCOUNT HELD BY AN
50 ACCOUNT WAGERING LICENSEE IN WHICH THERE HAS BEEN NO WAGERING ACTIVITY
51 FOR THREE YEARS.

52 T. "MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDER" MEANS A BUSINESS
53 ENTITY DOMICILED IN A JURISDICTION, OTHER THAN THE STATE OF NEW YORK,
54 THAT DOES NOT OPERATE EITHER A SIMULCAST FACILITY THAT IS OPEN TO THE
55 PUBLIC WITHIN THE STATE OF NEW YORK OR A LICENSED OR FRANCHISED RACE-
56 TRACK WITHIN THE STATE, BUT WHICH IS LICENSED BY SUCH OTHER JURISDICTION

1 TO OFFER PARI-MUTUEL ACCOUNT WAGERING ON RACES SUCH PROVIDER SIMULCASTS
2 AND OTHER RACES IT OFFERS IN ITS WAGERING MENU TO PERSONS LOCATED IN OR
3 OUT OF THE JURISDICTION ISSUING SUCH LICENSE.

4 S 44. Section 1002 of the racing, pari-mutuel wagering and breeding
5 law, as added by chapter 363 of the laws of 1984, subdivision 2 as
6 amended by chapter 18 of the laws of 2008, is amended to read as
7 follows:

8 S 1002. General jurisdiction. 1. The [state racing and wagering board]
9 COMMISSION shall have general jurisdiction over the simulcasting of
10 horse races AND ACCOUNT WAGERING within the state, and the [board]
11 COMMISSION may issue rules and regulations in accordance with the
12 provisions of this article.

13 2. The [board] COMMISSION shall annually submit reports on or before
14 July first following each year in which simulcasting AND ACCOUNT WAGER-
15 ING is conducted to the director of the budget, the chairman of the
16 senate finance committee and the chairman of the assembly ways and means
17 committee evaluating the results of such simulcasts AND ACCOUNT WAGERING
18 on the compatibility with the well-being of the horse racing, breeding
19 and pari-mutuel wagering industries in this state and make any recommen-
20 dations it deems appropriate. Such reports may be submitted together
21 with the reports required by subdivision two of section two hundred
22 thirty-six and subparagraph (iii) of paragraph a and subparagraph (i) of
23 paragraph b of subdivision one of section three hundred eighteen of this
24 chapter.

25 S 45. Section 1003 of the racing, pari-mutuel wagering and breeding
26 law, as added by chapter 363 of the laws of 1984, subdivision 1 as sepa-
27 rately amended by chapters 2 and 70 of the laws of 1995, paragraph (a)
28 of subdivision 1 as amended by section 1 of part U of chapter 59 of the
29 laws of 2013, the opening paragraph of paragraph a of subdivision 2 as
30 amended by chapter 538 of the laws of 1999 and subdivision 5 as amended
31 by chapter 287 of the laws of 1985, is amended to read as follows:

32 S 1003. Licenses for simulcast facilities. 1. (a) Any racing associ-
33 ation or corporation or regional off-track betting corporation, author-
34 ized to conduct pari-mutuel wagering under this chapter, desiring to
35 display the simulcast of horse races on which pari-mutuel betting shall
36 be permitted in the manner and subject to the conditions provided for in
37 this article may apply to the [board] COMMISSION for a license so to do.
38 Applications for licenses shall be in such form as may be prescribed by
39 the [board] COMMISSION and shall contain such information or other mate-
40 rial or evidence as the [board] COMMISSION may require. No license shall
41 be issued by the [board] COMMISSION authorizing the simulcast trans-
42 mission of thoroughbred races from a track located in Suffolk county.
43 The fee for such licenses shall be five hundred dollars per simulcast
44 facility AND FOR ACCOUNT WAGERING LICENSEES THAT DO NOT OPERATE EITHER A
45 SIMULCAST FACILITY THAT IS OPEN TO THE PUBLIC WITHIN THE STATE OF NEW
46 YORK OR A LICENSED RACETRACK WITHIN THE STATE, TWENTY THOUSAND DOLLARS
47 per year payable by the licensee to the [board] COMMISSION for deposit
48 into the general fund. Except as provided [herein] IN THIS SECTION, the
49 [board] COMMISSION shall not approve any application to conduct simul-
50 casting into individual or group residences, homes or other areas for
51 the purposes of or in connection with pari-mutuel wagering. The board
52 may approve simulcasting into residences, homes or other areas to be
53 conducted jointly by one or more regional off-track betting corporations
54 and one or more of the following: a franchised corporation, thoroughbred
55 racing corporation or a harness racing corporation or association;
56 provided (i) the simulcasting consists only of those races on which

1 pari-mutuel betting is authorized by this chapter at one or more simul-
2 cast facilities for each of the contracting off-track betting corpo-
3 rations which shall include wagers made in accordance with section one
4 thousand fifteen, one thousand sixteen and one thousand seventeen of
5 this article; provided further that the contract provisions or other
6 simulcast arrangements for such simulcast facility shall be no less
7 favorable than those in effect on January first, two thousand five; (ii)
8 that each off-track betting corporation having within its geographic
9 boundaries such residences, homes or other areas technically capable of
10 receiving the simulcast signal shall be a contracting party; (iii) the
11 distribution of revenues shall be subject to contractual agreement of
12 the parties except that statutory payments to non-contracting parties,
13 if any, may not be reduced; provided, however, that nothing herein to
14 the contrary shall prevent a track from televising its races on an
15 irregular basis primarily for promotional or marketing purposes as found
16 by the board. For purposes of this paragraph, the provisions of section
17 one thousand thirteen of this article shall not apply. Any agreement
18 authorizing an in-home simulcasting experiment commencing prior to May
19 fifteenth, nineteen hundred ninety-five, may, and all its terms, be
20 extended until June thirtieth, two thousand fourteen; provided, however,
21 that any party to such agreement may elect to terminate such agreement
22 upon conveying written notice to all other parties of such agreement at
23 least forty-five days prior to the effective date of the termination,
24 via registered mail. Any party to an agreement receiving such notice of
25 an intent to terminate, may request the board to mediate between the
26 parties new terms and conditions in a replacement agreement between the
27 parties as will permit continuation of an in-home experiment until June
28 thirtieth, two thousand fourteen; and (iv) no in-home simulcasting in
29 the thoroughbred special betting district shall occur without the
30 approval of the regional thoroughbred track.

31 (b) Any agreement authorizing in-home simulcasting pursuant to this
32 section shall be in writing, and upon written request, a copy shall be
33 provided to the representative horsemen's group of the racing associ-
34 ation or corporation that is party to said agreement. Such agreement
35 shall include a categorical statement of new and incremental expenses
36 directly related and attributable to the conduct of in-home simulcast-
37 ing. The representative horsemen's group may, within thirty days of
38 receiving the agreement, petition the board for a determination as to
39 the appropriateness and reasonableness of any expenses attributed by
40 either the racing association or corporation or the off-track betting
41 corporation.

42 2. Before it may grant such license, the [board] COMMISSION shall
43 review and approve a plan of operation submitted by such applicant
44 including, but not limited to the following information:

45 a. A feasibility study denoting the revenue earnings expected from the
46 simulcast facility and the costs expected to operate such facility. No
47 feasibility study shall be received for a simulcast facility that is
48 applying to renew its license. The form of the feasibility study shall
49 be prescribed by the [board] COMMISSION and may include:

- 50 (i) the number of simulcast races to be displayed;
- 51 (ii) the types of wagering to be offered;
- 52 (iii) the level of attendance expected and the area from which such
53 attendance will be drawn;
- 54 (iv) the level of anticipated wagering activity;
- 55 (v) the source and amount of revenues expected from other than pari-
56 mutuel wagering;

1 (vi) the cost of operating the simulcast facility and the identifica-
2 tion of costs to be amortized and the method of amortization of such
3 costs;
4 (vii) the amount and source of revenues needed for financing the
5 simulcast facility;
6 (viii) the probable impact of the proposed operation on revenues to
7 local government;
8 b. The security measures to be employed to protect the facility, to
9 control crowds, to safeguard the transmission of the simulcast signals
10 and to control the transmission of wagering data to effectuate common
11 wagering pools;
12 c. The type of data processing, communication and transmission equip-
13 ment to be utilized;
14 d. The description of the management groups responsible for the opera-
15 tion of the simulcast facility;
16 e. The system of accounts to maintain a separate record of revenues
17 collected by the simulcast facility, the distribution of such revenues
18 and the accounting of costs relative to the simulcast operation;
19 f. The location of the facility and a written confirmation from appro-
20 priate local officials that the location of such facility and the number
21 of patrons expected to occupy such facility are in compliance with all
22 applicable local ordinances;
23 g. The written agreements and letters of consent between specified
24 parties pursuant to sections one thousand seven, one thousand eight and
25 one thousand nine of this article.
26 3. Within forty-five days of receipt of the plan of operation provided
27 in subdivision two of this section, the [board] COMMISSION shall issue
28 an order approving the plan, approving it with modifications or denying
29 approval, in which latter case the [board] COMMISSION shall state its
30 reasons therefor. Within such period the [board] COMMISSION may request
31 additional information or suggest amendments. If the [board] COMMISSION
32 fails to approve the plan, the applicant may request a public hearing to
33 be held within thirty days of the issuance of an order denying it. The
34 [board] COMMISSION shall issue its final determination within ten days
35 of such hearing. The applicant may submit an amended application no
36 sooner than thirty days after a denial.
37 4. No racing association, FRANCHISED CORPORATION or corporation or
38 regional off-track betting corporation shall be allowed to operate a
39 simulcast facility except according to the provisions of an approved
40 plan of operation. No change in such plan of operation may occur until
41 an amendment proposing a change to the plan is approved by the [board]
42 COMMISSION. A plan of operation may be amended from time to time at the
43 request of either the operator or the [board] COMMISSION. The operator
44 shall have the right to be heard concerning any amendment to the plan
45 and the [board] COMMISSION shall dispose of such proposed amendments as
46 expeditiously as practicable, but no later than thirty days following
47 submission by the operator or, in the case of amendments proposed by the
48 [board] COMMISSION, objection by the operator.
49 5. For the purpose of maintaining proper control over simulcasts
50 conducted pursuant to this article, the [state racing and wagering
51 board] COMMISSION shall license any person, association or corporation
52 participating in simulcasting, as the [board] COMMISSION may by rule
53 prescribe, including, if the [board] COMMISSION deem it necessary so to
54 do, any or all persons, associations or corporations who create,
55 distribute, transmit or display simulcast signals. In the case of
56 thoroughbred racing simulcasting or harness racing simulcasting, such

1 licenses shall be issued in accordance with and subject to the
2 provisions governing licenses for participants and employees in article
3 two or article three of this chapter as may be applicable to such type
4 of racing.

5 S 46. Section 1012 of the racing, pari-mutuel wagering and breeding
6 law, as amended by chapter 18 of the laws of 2008, subdivision 4-b as
7 added by chapter 402 of the laws of 2011 and subdivision 5 as amended by
8 section 10 of part U of chapter 59 of the laws of 2013, is amended to
9 read as follows:

10 S 1012. [Telephone accounts and telephone] ACCOUNT wagering. [Any
11 regional off-track betting corporation, and any franchised corporation,
12 harness, thoroughbred, quarter horse racing association or corporation
13 licensed to conduct pari-mutuel racing may maintain telephone betting
14 accounts for wagers placed on races and special events offered by such
15 corporation or association.] RACING ASSOCIATIONS AND CORPORATIONS, FRAN-
16 CHISED CORPORATIONS, OFF-TRACK BETTING CORPORATIONS AND MULTI-JURISDIC-
17 TIONAL ACCOUNT WAGERING PROVIDERS MAY APPLY TO THE COMMISSION TO BE
18 LICENSED TO OFFER ACCOUNT WAGERING.

19 1. RACING ASSOCIATIONS AND CORPORATIONS, FRANCHISED CORPORATIONS,
20 OFF-TRACK BETTING CORPORATIONS AND MULTI-JURISDICTIONAL ACCOUNT WAGERING
21 PROVIDERS MAY FORM PARTNERSHIPS, JOINT VENTURES, OR ANY OTHER AFFIL-
22 IATIONS OR CONTRACTUAL ARRANGEMENT IN ORDER TO FURTHER THE PURPOSES OF
23 THIS SECTION. MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDERS INVOLVED
24 IN SUCH JOINT AFFILIATIONS OR CONTRACTUAL ARRANGEMENTS SHALL FOLLOW THE
25 SAME DISTRIBUTIONAL POLICY WITH RESPECT TO RETAINED COMMISSIONS AS THEIR
26 IN-STATE AFFILIATE OR CONTRACTUAL PARTNER.

27 2. THE COMMISSION SHALL PROMULGATE RULES AND REGULATIONS TO LICENSE
28 AND REGULATE ALL PHASES OF ACCOUNT WAGERING.

29 3. THE COMMISSION SHALL SPECIFY A NON-REFUNDABLE APPLICATION FEE WHICH
30 SHALL BE PAID BY EACH APPLICANT FOR AN ACCOUNT WAGERING LICENSE OR
31 RENEWAL THEREOF.

32 4. ACCOUNT WAGERING LICENSEES SHALL UTILIZE PERSONAL IDENTIFICATION
33 NUMBERS AND SUCH OTHER TECHNOLOGIES AS THE COMMISSION MAY SPECIFY TO
34 ASSURE THAT ONLY THE ACCOUNT HOLDER HAS ACCESS TO THE ADVANCE DEPOSIT
35 WAGERING ACCOUNT.

36 5. ACCOUNT WAGERING LICENSEES SHALL PROVIDE FOR: A. WITHDRAWALS FROM
37 THE WAGERING ACCOUNT ONLY BY MEANS OF A CHECK MADE PAYABLE TO THE
38 ACCOUNT HOLDER AND SENT TO THE ADDRESS OF THE ACCOUNT HOLDER OR BY MEANS
39 OF AN ELECTRONIC TRANSFER TO AN ACCOUNT HELD BY THE VERIFIED ACCOUNT
40 HOLDER OR B. THAT THE ACCOUNT HOLDER MAY WITHDRAW FUNDS FROM THE WAGER-
41 ING ACCOUNT AT A FACILITY APPROVED BY THE COMMISSION BY PRESENTING VERI-
42 FIABLE PERSONAL AND ACCOUNT IDENTIFICATION INFORMATION.

43 6. ACCOUNT WAGERING LICENSEES MAY ENGAGE IN INTERSTATE WAGERING TRANS-
44 ACTIONS ONLY WHERE THERE IS COMPLIANCE WITH CHAPTER FIFTY-SEVEN OF TITLE
45 FIFTEEN OF THE UNITED STATES CODE, COMMONLY REFERRED TO AS THE "INTER-
46 STATE HORSE RACING ACT".

47 7. THE ACCOUNT HOLDER'S DEPOSITS TO THE WAGERING ACCOUNT SHALL BE
48 SUBMITTED BY THE ACCOUNT HOLDER TO THE ACCOUNT WAGERING LICENSEE AND
49 SHALL BE IN THE FORM OF ONE OF THE FOLLOWING: A. CASH GIVEN TO THE
50 ACCOUNT WAGERING LICENSEE; B. CHECK, MONEY ORDER, NEGOTIABLE ORDER OF
51 WITHDRAWAL, OR WIRE OR ELECTRONIC TRANSFER, PAYABLE AND REMITTED TO THE
52 ACCOUNT WAGERING LICENSEE; OR C. CHARGES MADE TO AN ACCOUNT HOLDER'S
53 DEBIT OR CREDIT CARD UPON THE ACCOUNT HOLDER'S DIRECT AND PERSONAL
54 INSTRUCTION, WHICH INSTRUCTION MAY BE GIVEN BY TELEPHONE COMMUNICATION
55 OR OTHER ELECTRONIC MEANS TO THE ACCOUNT WAGERING LICENSEE OR ITS AGENT

1 BY THE ACCOUNT HOLDER IF THE USE OF THE CARD HAS BEEN APPROVED BY THE
2 ACCOUNT WAGERING LICENSEE.

3 8. A. EACH WAGER SHALL BE IN THE NAME OF A NATURAL PERSON AND SHALL
4 NOT BE IN THE NAME OF ANY BENEFICIARY, CUSTODIAN, JOINT TRUST, CORPO-
5 RATION, PARTNERSHIP OR OTHER ORGANIZATION OR ENTITY.

6 B. A WAGERING ACCOUNT MAY BE ESTABLISHED BY A PERSON COMPLETING AN
7 APPLICATION FORM APPROVED BY THE COMMISSION AND SUBMITTING IT TOGETHER
8 WITH A CERTIFICATION, OR OTHER PROOF, OF AGE AND RESIDENCY. SUCH FORM
9 SHALL INCLUDE THE ADDRESS OF THE PRINCIPAL RESIDENCE OF THE PROSPECTIVE
10 ACCOUNT HOLDER AND A STATEMENT THAT A FALSE STATEMENT MADE IN REGARD TO
11 AN APPLICATION MAY SUBJECT THE APPLICANT TO PROSECUTION.

12 C. THE PROSPECTIVE ACCOUNT HOLDER SHALL SUBMIT THE COMPLETED APPLICA-
13 TION TO THE ACCOUNT WAGERING LICENSEE. THE ACCOUNT WAGERING LICENSEE MAY
14 ACCEPT OR REJECT AN APPLICATION AFTER RECEIPT AND REVIEW OF THE APPLICA-
15 TION AND CERTIFICATION, OR OTHER PROOF, OF AGE AND RESIDENCY FOR COMPLI-
16 ANCE WITH THIS SECTION.

17 D. NO PERSON OTHER THAN THE PERSON IN WHOSE NAME AN ACCOUNT HAS BEEN
18 ESTABLISHED MAY ISSUE WAGERING INSTRUCTIONS RELATING TO THAT ACCOUNT OR
19 OTHERWISE ENGAGE IN WAGERING TRANSACTIONS RELATING TO THAT ACCOUNT.

20 9. A WAGERING ACCOUNT SHALL NOT BE ASSIGNABLE OR OTHERWISE TRANSFERA-
21 BLE.

22 10. EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE OR IN REGULATIONS
23 WHICH THE COMMISSION MAY ADOPT PURSUANT THERETO, ALL ACCOUNT WAGERS
24 SHALL BE FINAL AND NO WAGER SHALL BE CANCELED BY THE ACCOUNT HOLDER AT
25 ANY TIME AFTER THE WAGER HAS BEEN ACCEPTED BY THE ACCOUNT WAGERING
26 LICENSEE.

27 11. DORMANT ACCOUNTS SHALL BE TREATED AS ABANDONED PROPERTY PURSUANT
28 TO SECTION THREE HUNDRED OF THE ABANDONED PROPERTY LAW.

29 12. ACCOUNT WAGERING PROVIDERS MUST POSSESS APPROPRIATE TOTALIZATOR
30 AND ACCOUNTING CONTROLS THAT WILL SAFEGUARD THE TRANSMISSION OF WAGERING
31 DATA AND WILL KEEP A SYSTEM OF ACCOUNTS WHICH WILL MAINTAIN A SEPARATE
32 RECORD OF REVENUES AND AN ACCOUNTING OF COSTS RELATIVE TO THE OPERATION
33 OF THE WAGERING PROVIDER.

34 13. WAGERS PLACED WITH THE ACCOUNT WAGERING PROVIDERS SHALL RESULT IN
35 THE COMBINATION OF ALL WAGERS PLACED WITH SUCH PROVIDER WITH THE WAGER-
36 ING POOLS AT THE HOST TRACK SO AS TO PRODUCE COMMON PARI-MUTUEL BETTING
37 POOLS FOR THE CALCULATION OF ODDS AND THE DETERMINATION OF PAYOUTS FROM
38 SUCH POOLS, WHICH PAYOUT SHALL BE THE SAME FOR ALL WINNING TICKETS,
39 IRRESPECTIVE OF WHETHER A WAGER IS PLACED AT A HOST TRACK OR AT AN
40 ACCOUNT WAGERING PROVIDER.

41 14. Any [regional off-track betting corporation and any franchised
42 corporation, harness, thoroughbred, quarter horse racing association or
43 corporation licensed to conduct pari-mutuel racing] ACCOUNT WAGERING
44 LICENSEE may require a minimum account balance in an amount to be deter-
45 mined by such entity.

46 [2.] 15. a. Any regional off-track betting corporation may suspend
47 collection of the surcharge imposed under section five hundred thirty-
48 two of this chapter on winning wagers placed in [telephone] WAGERING
49 accounts maintained by such regional corporation.

50 b. In a city of one million or more any regional off-track betting
51 corporation, with the approval of the mayor of such city, may suspend
52 collection of the surcharge imposed under section five hundred thirty-
53 two of this chapter in winning wagers placed in [telephone] WAGERING
54 accounts maintained by such regional corporation.

55 [3. Any telephone account maintained by a regional off-track betting
56 corporation, franchised corporation, harness, thoroughbred, quarter

1 horse association or corporation, with inactivity for a period of three
2 years shall be forfeited and paid to the commissioner of taxation and
3 finance. Such amounts when collected shall be paid by the commissioner
4 of taxation and finance into the general fund of the state treasury.

5 4.] 16. The maintenance and operation of such [telephone] WAGERING
6 accounts provided for in this section shall be subject to rules and
7 regulations of the [state racing and wagering board] COMMISSION. The
8 [board] COMMISSION shall include in such regulation a requirement that
9 [telephone] WAGERING account information pertaining to surcharge and
10 nonsurcharge [telephone] WAGERING accounts shall be separately reported.

11 [4-a.] 17. For the purposes of this section, "telephone [betting]
12 WAGERING accounts" [and "telephone wagering"] shall mean and include all
13 those wagers which utilize any wired or wireless communications device,
14 including but not limited to wireline telephones, wireless telephones[,]
15 and the internet[,] to transmit the placement of wagers on races and
16 special events offered by any regional off-track betting corporation,
17 and any harness, thoroughbred, quarter horse racing association or
18 corporation licensed or franchised to conduct pari-mutuel racing in [New
19 York] THIS state.

20 [4-b.] 18. Every racing association, off-track betting corporation,
21 franchised corporation, harness, thoroughbred, quarter horse racing
22 association or corporation or other entity licensed OR FRANCHISED in
23 this state to conduct pari-mutuel racing and wagering, or authorized to
24 conduct races within the state, which operates [an account] A wagering
25 [platform] ACCOUNT for the acceptance of wagers, shall locate the call
26 center where such wagers are received within the state of New York.

27 [5. The provisions of this section shall expire and be of no further
28 force and effect after June thirtieth, two thousand fourteen.]

29 S 47. The racing, pari-mutuel wagering and breeding law is amended by
30 adding a new section 1012-a to read as follows:

31 S 1012-A. MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDERS. A
32 MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDER SHALL ONLY BE LICENSED
33 UNDER THE FOLLOWING CONDITIONS:

34 1. THE MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDER IS LICENSED BY
35 THE STATE IN WHICH IT IS LOCATED AND, IF REQUIRED, BY EACH STATE IN
36 WHICH IT OPERATES;

37 2. THE CHARACTER AND THE BACKGROUND OF THE MULTI-JURISDICTIONAL
38 ACCOUNT WAGERING PROVIDER IS SUCH THAT GRANTING THE APPLICATIONS FOR A
39 LICENSE IS IN THE PUBLIC INTEREST AND THE BEST INTEREST OF HONEST HORSE
40 RACING;

41 3. THE MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDER SHALL UTILIZE
42 THE SERVICES OF AN INDEPENDENT THIRD PARTY TO PERFORM IDENTITY AND
43 VERIFICATION SERVICES WITH RESPECT TO THE ESTABLISHMENT OF WAGERING
44 ACCOUNTS FOR PERSONS WHO ARE RESIDENTS OF THE STATE OF NEW YORK;

45 4. THE COMMISSION SHALL BE ALLOWED ACCESS TO THE PREMISES OF THE
46 MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDER TO VISIT, INVESTIGATE
47 AND, PLACE SUCH EXPERT ACCOUNTANTS AND OTHER PERSONS IT DEEMS NECESSARY
48 FOR THE PURPOSE OF INSURING COMPLIANCE WITH THE RULES AND REGULATIONS OF
49 THE COMMISSION;

50 5. IF NOT ALREADY REGISTERED, THE MULTI-JURISDICTIONAL ACCOUNT WAGER-
51 ING PROVIDER SHALL AGREE PROMPTLY TO TAKE THOSE STEPS NECESSARY TO QUAL-
52 IFY TO DO BUSINESS IN NEW YORK STATE, AND TO MAINTAIN SUCH STATUS IN
53 GOOD STANDING THROUGHOUT THE LICENSE PERIOD;

54 6. MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDERS SHALL PAY A MARKET
55 ORIGIN FEE EQUAL TO FIVE PER CENTUM ON EACH WAGER ACCEPTED FROM NEW YORK
56 RESIDENTS. MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDERS SHALL MAKE

1 THE REQUIRED PAYMENTS TO THE MARKET ORIGIN ACCOUNT ON OR BEFORE THE
2 FIFTH BUSINESS DAY OF EACH MONTH AND SUCH REQUIRED PAYMENTS SHALL COVER
3 PAYMENTS DUE FOR THE PERIOD OF THE PRECEDING CALENDAR MONTH; PROVIDED,
4 HOWEVER, THAT SUCH PAYMENTS REQUIRED TO BE MADE ON APRIL FIFTEENTH SHALL
5 BE ACCOMPANIED BY A REPORT UNDER OATH, SHOWING THE TOTAL OF ALL SUCH
6 PAYMENTS, TOGETHER WITH SUCH OTHER INFORMATION AS THE COMMISSION MAY
7 REQUIRE. A PENALTY OF FIVE PER CENTUM AND INTEREST AT THE RATE OF ONE
8 PER CENTUM PER MONTH FROM THE DATE THE REPORT IS REQUIRED TO BE FILED TO
9 THE DATE THE PAYMENT SHALL BE PAYABLE IN CASE ANY PAYMENTS REQUIRED BY
10 THIS SUBDIVISION ARE PAID WHEN DUE. IF THE COMMISSION DETERMINES THAT
11 ANY MONEYS RECEIVED UNDER THIS SUBDIVISION WERE PAID IN ERROR, THE
12 COMMISSION MAY CAUSE THE SAME TO BE REFUNDED WITHOUT INTEREST OUT OF ANY
13 MONEYS COLLECTED THEREUNDER, PROVIDED AN APPLICATION THEREFOR IS FILED
14 WITH THE COMMISSION WITHIN ONE YEAR FROM THE TIME THE ERRONEOUS PAYMENT
15 WAS MADE. THE COMMISSION SHALL PAY INTO THE RACING REGULATION ACCOUNT,
16 UNDER THE JOINT CUSTODY OF THE COMPTROLLER AND THE COMMISSION, THE TOTAL
17 AMOUNT OF THE FEE COLLECTED PURSUANT TO THIS SECTION.

18 S 48. Subdivision 2 of section 1017 of the racing, pari-mutuel wager-
19 ing and breeding law, as amended by chapter 18 of the laws of 2008, is
20 amended to read as follows:

21 2. a. Maintenance of effort. Any off-track betting corporation which
22 engages in accepting wagers on the simulcasts of thoroughbred races from
23 out-of-state or out-of-country as permitted under subdivision one of
24 this section shall submit to the [board] COMMISSION, for its approval, a
25 schedule of payments to be made in any year or portion thereof, that
26 such off-track corporation engages in nighttime thoroughbred simulcast-
27 ing. In order to be approved by the [board] COMMISSION, the payment
28 schedule shall be identical to the actual payments and distributions of
29 such payments to tracks and purses made by such off-track corporation
30 pursuant to the provisions of section one thousand fifteen of this arti-
31 cle during the year two thousand two, as derived from out-of-state
32 harness races displayed after 6:00 P.M. If approved by the [board]
33 COMMISSION, such scheduled payments shall be made from revenues derived
34 from any simulcasting conducted pursuant to this section and section one
35 thousand fifteen of this article.

36 b. Additional payments. During each calendar year, to the extent, and
37 at such time in the event, that aggregate statewide wagering handle
38 after 7Labor P.M. on out-of-state and out-of-country thoroughbred races
39 exceeds one hundred million dollars, each off-track betting corporation
40 conducting such simulcasting shall pay to its regional harness track or
41 tracks, an amount equal to two percent of its proportionate share of
42 such excess handle. In any region where there are two or more regional
43 harness tracks, such two percent shall be divided between or among the
44 tracks in a proportion equal to the proportion of handle on live harness
45 races conducted at such tracks during the preceding calendar year. Fifty
46 percent of the sum received by each track pursuant to this paragraph
47 shall be used exclusively for increasing purses, stakes and prizes at
48 that regional harness track. FOR THE PURPOSE OF DETERMINING WHETHER
49 SUCH AGGREGATE STATEWIDE HANDLE EXCEEDS ONE HUNDRED MILLION DOLLARS, ALL
50 WAGERING ON SUCH THOROUGHBRED RACES ACCEPTED BY LICENSED MULTI-JURISDIC-
51 TIONAL ACCOUNT WAGERING PROVIDERS FROM CUSTOMERS WITHIN NEW YORK STATE
52 SHALL BE EXCLUDED.

53 S 49. Section 503 of the racing, pari-mutuel wagering and breeding law
54 is amended by adding a new subdivision 12-a to read as follows:

55 12-A. TO ENTER INTO, AMEND, CANCEL AND TERMINATE AGREEMENTS FOR THE
56 PERFORMANCE AMONG THEMSELVES, LICENSED RACING ASSOCIATIONS AND CORPO-

1 RATIONS, AND MULTI-JURISDICTIONAL ACCOUNT WAGERING PROVIDERS, AS DEFINED
2 IN SECTION ONE THOUSAND ONE OF THIS CHAPTER, OF THEIR RESPECTIVE FUNC-
3 TIONS, POWERS AND DUTIES ON A COOPERATIVE OR CONTRACT BASIS.

4 S 50. The racing, pari-mutuel wagering and breeding law is amended by
5 adding a new section 115-b to read as follows:

6 S 115-B. MARKET ORIGIN CREDITS. 1. NOTWITHSTANDING ANY OTHER PROVISION
7 OF LAW TO THE CONTRARY, ANY RACING ASSOCIATIONS AND CORPORATIONS, FRAN-
8 CHISED CORPORATIONS, AND OFF-TRACK BETTING CORPORATIONS THAT MAKES A
9 PAYMENT OF THE REGULATORY FEES IMPOSED BY THIS CHAPTER MAY REDUCE SUCH
10 PAYMENT BY AN AMOUNT EQUAL TO THE MARKET ORIGIN CREDIT ALLOCATED TO SUCH
11 RACING ASSOCIATION OR CORPORATION, FRANCHISED CORPORATION, OR OFF-TRACK
12 BETTING CORPORATION BY THE COMMISSION. THE COMMISSION SHALL ALLOCATE
13 CREDITS IN AN AMOUNT EQUAL TO NINETY PERCENT OF THE AMOUNT RECEIVED FROM
14 THE MARKET ORIGIN FEE PAID PURSUANT TO SUBDIVISION SIX OF SECTION ONE
15 THOUSAND TWELVE-A OF THIS CHAPTER FOR THE PERIOD FROM THE SIXTEENTH DAY
16 OF THE PRECEDING MONTH THROUGH THE FIFTEENTH DAY OF THE CURRENT MONTH.
17 THE COMMISSION SHALL NOTIFY PARTICIPANTS OF ALLOCATIONS ON OR BEFORE THE
18 TWENTIETH DAY OF THE CURRENT MONTH.

19 2. THE COMMISSION SHALL ALLOCATE CREDITS TO RACING ASSOCIATIONS AND
20 CORPORATIONS, FRANCHISED CORPORATIONS, AND OFF-TRACK BETTING CORPO-
21 RATIONS IN THE FOLLOWING AMOUNTS:

22 A. FORTY PERCENT OF THE AMOUNT RECEIVED FROM THE MARKET ORIGIN FEE
23 PAID PURSUANT TO SUBDIVISION SIX OF SECTION ONE THOUSAND TWELVE-A OF
24 THIS CHAPTER TO REGIONAL OFF-TRACK BETTING CORPORATIONS. ALLOCATIONS TO
25 INDIVIDUAL REGIONAL OFF-TRACK BETTING CORPORATIONS SHALL BE MADE BASED
26 ON A RATIO WHERE THE NUMERATOR IS THE REGIONAL CORPORATION'S TOTAL
27 IN-STATE HANDLE FOR THE PREVIOUS CALENDAR YEAR AS CALCULATED BY THE
28 COMMISSION AND THE DENOMINATOR IS THE TOTAL IN-STATE HANDLE OF ALL THE
29 REGIONAL OFF-TRACK BETTING CORPORATIONS FOR THE PREVIOUS CALENDAR YEAR
30 AS CALCULATED BY THE COMMISSION;

31 B. FIFTY PERCENT OF THE AMOUNT RECEIVED FROM THE MARKET ORIGIN FEE
32 PAID PURSUANT TO SUBDIVISION SIX OF SECTION ONE THOUSAND TWELVE-A OF
33 THIS CHAPTER TO THE RACING ASSOCIATIONS AND CORPORATIONS AND FRANCHISED
34 CORPORATIONS. ALLOCATIONS TO INDIVIDUAL RACING ASSOCIATIONS AND CORPO-
35 RATIONS AND FRANCHISED CORPORATIONS SHALL BE MADE AS FOLLOWS:

36 (I) SIXTY PERCENT TO THOROUGHBRED RACING ASSOCIATIONS AND FRANCHISED
37 CORPORATIONS. FIVE-SIXTHS SHALL BE ALLOCATED TO A FRANCHISED CORPO-
38 RATION AND ONE-SIXTH SHALL BE ALLOCATED TO A THOROUGHBRED RACING ASSOCI-
39 ATION.

40 (II) FORTY PERCENT TO HARNESS RACING ASSOCIATIONS AND CORPORATIONS.
41 ALLOCATIONS TO INDIVIDUAL HARNESS RACING ASSOCIATIONS AND CORPORATIONS
42 SHALL BE MADE BASED ON A RATIO WHERE THE NUMERATOR IS THE ASSOCIATION'S
43 OR CORPORATION'S TOTAL IN-STATE HANDLE ON LIVE RACING FOR THE PREVIOUS
44 CALENDAR YEAR AS CALCULATED BY THE COMMISSION AND THE DENOMINATOR IS THE
45 TOTAL IN-STATE ON LIVE HANDLE FOR ALL HARNESS RACING ASSOCIATIONS AND
46 CORPORATIONS FOR THE PREVIOUS CALENDAR YEAR AS CALCULATED BY THE COMMIS-
47 SION.

48 3. AS A CONDITION FOR ANY RACING ASSOCIATION OR CORPORATION OR FRAN-
49 CHISED CORPORATION TO CLAIM ANY MARKET ORIGIN CREDITS ALLOCATED TO IT,
50 SUCH RACING ASSOCIATION OR CORPORATION OR FRANCHISED CORPORATION MUST
51 MAKE PAYMENTS FOR MONEYS OTHERWISE TO BE USED TO PAY THE REGULATORY FEE
52 AS FOLLOWS:

53 (I) PAYMENT OF AN AMOUNT EQUAL TO FORTY PERCENT OF THE ALLOCATED CRED-
54 ITS INTO AN ACCOUNT USED SOLELY FOR THE PURPOSE OF ENHANCING PURSES AT
55 SUCH RACING ASSOCIATION OR CORPORATION OR FRANCHISED CORPORATION. SUCH
56 PAYMENT SHALL BE MADE WITHIN FIVE DAYS FROM RECEIPT OF NOTIFICATION OF

1 AN ALLOCATION BY THE COMMISSION OF AN ALLOCATION OF MARKET ORIGIN CRED-
2 ITS;

3 (II) PAYMENT OF AN AMOUNT EQUAL TO TWENTY PERCENT OF THE ALLOCATED
4 CREDITS TO THE STATE'S BREEDING FUNDS. SIXTY PERCENT OF THE PAYMENTS TO
5 THE BREEDING FUNDS SHALL BE ALLOCATED TO THE NEW YORK STATE THOROUGHBRED
6 BREEDING AND DEVELOPMENT FUND CORPORATION ESTABLISHED PURSUANT TO
7 SECTION TWO HUNDRED FIFTY-TWO OF THIS CHAPTER, AND FORTY PERCENT TO THE
8 AGRICULTURE AND NEW YORK STATE HORSE BREEDING DEVELOPMENT FUND ESTAB-
9 LISHED PURSUANT TO SECTION THREE HUNDRED THIRTY OF THIS CHAPTER. SUCH
10 PAYMENT SHALL BE MADE WITHIN FIVE DAYS FROM RECEIPT OF NOTIFICATION OF
11 AN ALLOCATION BY THE COMMISSION OF AN ALLOCATION OF MARKET ORIGIN CRED-
12 ITS.

13 4. THE COMMISSION SHALL PROMULGATE ANY RULES AND REGULATIONS NECESSARY
14 FOR THE ADMINISTRATION OF THE MARKET ORIGIN CREDIT.

15 S 51. Section 99-i of the state finance law, as added by section 26 of
16 part F3 of chapter 62 of the laws of 2003, is amended to read as
17 follows:

18 S 99-i. Racing regulation account. 1. There is hereby established in
19 the joint custody of the comptroller and the [racing and wagering board]
20 GAMING COMMISSION a special revenue fund to be known as the "racing
21 regulation account".

22 2. The racing [revenue] REGULATION account shall consist of all money
23 received by the [board] COMMISSION as regulatory fees AND MARKET ORIGIN
24 FEES pursuant to the provisions of the racing, pari-mutuel wagering and
25 breeding law.

26 3. Moneys of this account shall be available to the [board] COMMISSION
27 to pay for the costs of carrying out the purposes of the racing, pari-
28 mutuel wagering and breeding law; PROVIDED, HOWEVER, AN AMOUNT EQUAL TO
29 FIVE PERCENT OF THE AMOUNT RECEIVED BY THE ACCOUNT FROM THE MARKET
30 ORIGIN FEE IMPOSED BY SUBDIVISION SIX OF SECTION ONE THOUSAND TWELVE-A
31 OF THE RACING, PARI-MUTUEL WAGERING AND BREEDING LAW SHALL BE TRANS-
32 FERRED TO THE STATE DEPARTMENT OF TAXATION AND FINANCE AND THE DEPART-
33 MENT SHALL DEEM THIS TRANSFER AS A PAYMENT OF A PARI-MUTUEL TAX.

34 4. All payments from the fund shall be made on the audit and warrant
35 of the comptroller.

36 (f) Sections forth through forty-eight of this act shall take effect
37 January 1, 2014; except that the New York state gaming commission may
38 accept and review applications for licenses for account wagering and for
39 multi-jurisdictional account wagering providers commencing on October 1,
40 2013.

41 S 52. This act shall take effect immediately; provided, however, that:

42 (a) sections one, two, five, nine, ten, twenty-seven and thirty-one of
43 this act shall take effect on the first of January next succeeding the
44 date upon which the people shall approve and ratify amendments to subdi-
45 vision 1 of section 9 of article I of the constitution by a majority of
46 the electors voting thereon relating to casino gambling in the state;

47 (b) sections six, seven, fourteen and sixteen of this act shall take
48 effect on the same date as the agreement between the Oneida Nation of
49 New York and the state of New York entered into on the sixteenth day of
50 May, 2013 takes effect; provided, further, that the amendments to subdi-
51 vision 2 of section 99-h of the state finance law made by section six of
52 this act shall take effect on the same date as the reversion of such
53 section as provided in section 2 of chapter 747 of the laws of 2006, as
54 amended; provided, further, that the amendments to subdivision 3 of
55 section 99-h of the state finance law made by section seven of this act
56 shall be subject to the expiration and reversion of such subdivision as

1 provided in section 3 of part W of chapter 60 of the laws of 2011, as
2 amended when upon such date the provisions of section seven-a of this
3 act shall take effect; provided, further, that the amendments to subdi-
4 vision 3 of section 99-h of the state finance law made by section
5 seven-a of this act shall be subject to the the expiration and reversion
6 of such section as provided in section 2 of chapter 747 of the laws of
7 2006, as amended when upon such date the provisions of section eight of
8 this act shall take effect; provided, further, however, that the amend-
9 ment to section 99-h of the state finance law made by section nine of
10 this act shall not affect the expiration of such section and shall be
11 deemed repealed therewith; provided, further, that the state gaming
12 commission shall notify the legislative bill drafting commission upon
13 the occurrence of such agreement between the Oneida Nation and the state
14 of New York becoming effective in order that the commission may maintain
15 an accurate and timely effective data base of the official text of the
16 laws of the state of New York in furtherance of effecting the provisions
17 of section 44 of the legislative law and section 70-b of the public
18 officers law;

19 (c) section 1368 of the racing, pari-mutuel wagering and breeding law,
20 as added by section two of this act, shall take effect upon a change in
21 federal law authorizing the activity permitted by such section or upon a
22 ruling by a court of competent jurisdiction that such activity is
23 lawful. The state gaming commission shall notify the legislative bill
24 drafting commission upon the occurrence of the change in federal law or
25 upon the ruling of a court of competent jurisdiction in order that the
26 commission may maintain an accurate and timely effective data base of
27 the official text of the laws of the state of New York in furtherance of
28 effecting the provisions of section 44 of the legislative law and
29 section 70-b of the public officers law;

30 (d) section thirty-five of this act shall be deemed to have been in
31 full force and effect on and after April 1, 2013;

32 (e) notwithstanding the foregoing, sections thirty-two, thirty-three,
33 thirty-four, forty-one and forty-two of this act, shall only be effec-
34 tive in the event that an amendment to the constitution to authorize
35 casino gambling is defeated.

36 (f) section forty through forty-eight of this act shall take effect
37 January 1, 2014; except that the New York state gaming commission may
38 accept and review applications for licenses for account wagering and for
39 multi-jurisdictional account wagering providers commencing on October 1,
40 2013.